Index of Exhibits

Exhibit A	May 2, 2021 – Campbell Soup Company 10-Q
Exhibit B	October 17, 2024 – Plum, PBC Certificate of Good Standing from Delaware Division of Corporations
Exhibit C	July 28, 2013 – Campbell Soup Company 10-K
Exhibit D	June 9, 2021 – Campbell Soup Company 8-K
Exhibit E	June 9, 2021 – Campbell Soup Company attachment to 8-K
Exhibit F	January 12, 2009 – Nest Collective Statement and Designation by Foreign Corporation
Exhibit G	November 5, 2012 – Plum Amended Statement by Foreign Corporation
Exhibit H	August 1, 2013 – Plum Name Change to Plum PBC
Exhibit I	October 2, 2013 – Plum Name Change to Plum, PBC
Exhibit J	January 5, 2016 – Registration of Plum Stylized Trademark
Exhibit K	October 3, 2016 – USPTO Notice of Acceptance and Renewal
Exhibit L	March 7, 2017 - Registration of Plum Trademark

EXHIBIT A

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended May 2, 2021	Commission File Number 1-3822

CAMPBELL SOUP COMPANY

New Jersey	21-0419870
State of Incorporation	*I.R.S. Employer Identification No.*

1 Campbell Place
Camden, New Jersey 08103-1799
Principal Executive Offices

Telephone Number: (856) 342-4800

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Capital Stock, par value $.0375	CPB	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☑ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

There were 303,051,488 shares of capital stock outstanding as of June 2, 2021.

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PART I - FINANCIAL INFORMATION

Item 1. *Financial Statements*

CAMPBELL SOUP COMPANY
Consolidated Statements of Earnings
(unaudited)
(millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Net sales	**$ 1,984**	$ 2,238	**$ 6,603**	$ 6,583
Costs and expenses				
Cost of products sold	**1,356**	1,466	**4,379**	4,331
Marketing and selling expenses	**202**	239	**642**	682
Administrative expenses	**153**	154	**452**	436
Research and development expenses	**22**	25	**61**	69
Other expenses / (income)	**(23)**	81	**(86)**	115
Restructuring charges	**2**	—	**21**	10
Total costs and expenses	**1,712**	1,965	**5,469**	5,643
Earnings before interest and taxes	**272**	273	**1,134**	940
Interest expense	**53**	55	**163**	284
Interest income	**—**	—	**1**	3
Earnings before taxes	**219**	218	**972**	659
Taxes on earnings	**53**	52	**252**	153
Earnings from continuing operations	**166**	166	**720**	506
Earnings (loss) from discontinued operations	**(6)**	2	**(6)**	1,036
Net earnings	**160**	168	**714**	1,542
Less: Net earnings (loss) attributable to noncontrolling interests	**—**	—	**—**	—
Net earnings attributable to Campbell Soup Company	**$ 160**	$ 168	**$ 714**	$ 1,542
Per Share — Basic				
Earnings from continuing operations attributable to Campbell Soup Company	**$ .55**	$ .55	**$ 2.38**	$ 1.68
Earnings (loss) from discontinued operations	**(.02)**	.01	**(.02)**	3.43
Net earnings attributable to Campbell Soup Company	**$ .53**	$ .56	**$ 2.36**	$ 5.11
Weighted average shares outstanding — basic	**303**	302	**303**	302
Per Share — Assuming Dilution				
Earnings from continuing operations attributable to Campbell Soup Company	**$ .54**	$ .55	**$ 2.36**	$ 1.66
Earnings (loss) from discontinued operations	**(.02)**	.01	**(.02)**	3.41
Net earnings attributable to Campbell Soup Company[(1)]	**$ .52**	$ .55	**$ 2.34**	$ 5.07
Weighted average shares outstanding — assuming dilution	**305**	304	**305**	304

[(1)] Sum of the individual amounts may not add due to rounding.

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Comprehensive Income
(unaudited)
(millions)

	Three Months Ended					
	May 2, 2021			April 26, 2020		
	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
Net earnings (loss)			**$ 160**			$ 168
Other comprehensive income (loss):						
Foreign currency translation:						
Foreign currency translation adjustments	**$ 7**	**$ —**	**7**	$ (13)	$ —	(13)
Cash-flow hedges:						
Unrealized gains (losses) arising during the period	**(2)**	**—**	**(2)**	8	(2)	6
Reclassification adjustment for (gains) losses included in net earnings	**2**	**—**	**2**	1	—	1
Pension and other postretirement benefits:						
Reclassification of prior service credit included in net earnings	**(2)**	**1**	**(1)**	(7)	2	(5)
Other comprehensive income (loss)	**$ 5**	**$ 1**	**6**	$ (11)	$ —	(11)
Total comprehensive income (loss)			**$ 166**			$ 157
Total comprehensive income (loss) attributable to noncontrolling interests			**(1)**			1
Total comprehensive income (loss) attributable to Campbell Soup Company			**$ 167**			$ 156

	Nine Months Ended					
	May 2, 2021			April 26, 2020		
	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
Net earnings (loss)			**$ 714**			$ 1,542
Other comprehensive income (loss):						
Foreign currency translation:						
Foreign currency translation adjustments	**$ 14**	**$ —**	**14**	$ (10)	$ —	(10)
Reclassification of currency translation adjustments realized upon disposal of businesses	**—**	**—**	**—**	206	4	210
Cash-flow hedges:						
Unrealized gains (losses) arising during period	**(9)**	**1**	**(8)**	9	(2)	7
Reclassification adjustment for (gains) losses included in net earnings	**5**	**—**	**5**	2	(1)	1
Pension and other postretirement benefits:						
Reclassification of prior service credit included in net earnings	**(4)**	**1**	**(3)**	(21)	5	(16)
Other comprehensive income (loss)	**$ 6**	**$ 2**	**8**	$ 186	$ 6	192
Total comprehensive income (loss)			**$ 722**			$ 1,734
Total comprehensive income (loss) attributable to noncontrolling interests			**(4)**			1
Total comprehensive income (loss) attributable to Campbell Soup Company			**$ 726**			$ 1,733

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Balance Sheets
(unaudited)
(millions, except per share amounts)

	May 2, 2021	August 2, 2020
Current assets		
Cash and cash equivalents	**$ 209**	$ 859
Accounts receivable, net	**580**	575
Inventories	**860**	871
Other current assets	**92**	80
Assets of business held for sale	**122**	—
Total current assets	**1,863**	2,385
Plant assets, net of depreciation	**2,313**	2,368
Goodwill	**3,983**	3,986
Other intangible assets, net of amortization	**3,249**	3,350
Other assets	**322**	283
Total assets	**$ 11,730**	$ 12,372
Current liabilities		
Short-term borrowings	**$ 204**	$ 1,202
Payable to suppliers and others	**1,086**	1,049
Accrued liabilities	**544**	693
Dividends payable	**115**	107
Accrued income taxes	**1**	24
Liabilities of business held for sale	**25**	—
Total current liabilities	**1,975**	3,075
Long-term debt	**4,997**	4,994
Deferred taxes	**999**	914
Other liabilities	**764**	820
Total liabilities	**8,735**	9,803
Commitments and contingencies		
Campbell Soup Company shareholders' equity		
Preferred stock; authorized 40 shares; none issued	**—**	—
Capital stock, $0.0375 par value; authorized 560 shares; issued 323 shares	**12**	12
Additional paid-in capital	**401**	394
Earnings retained in the business	**3,564**	3,190
Capital stock in treasury, at cost	**(986)**	(1,023)
Accumulated other comprehensive income (loss)	**2**	(10)
Total Campbell Soup Company shareholders' equity	**2,993**	2,563
Noncontrolling interests	**2**	6
Total equity	**2,995**	2,569
Total liabilities and equity	**$ 11,730**	$ 12,372

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Cash Flows
(unaudited)
(millions)

	Nine Months Ended	
	May 2, 2021	**April 26, 2020**
Cash flows from operating activities:		
Net earnings	**$ 714**	$ 1,542
Adjustments to reconcile net earnings to operating cash flow		
Restructuring charges	**21**	10
Stock-based compensation	**51**	47
Pension and postretirement benefit income	**(87)**	(11)
Depreciation and amortization	**233**	241
Deferred income taxes	**99**	35
Net gain on sales of businesses	**—**	(975)
Loss on extinguishment of debt	**—**	75
Investment losses	**—**	49
Other	**66**	74
Changes in working capital, net of divestitures		
Accounts receivable	**(4)**	(121)
Inventories	**(2)**	118
Prepaid assets	**(23)**	(4)
Accounts payable and accrued liabilities	**(149)**	92
Other	**(38)**	(47)
Net cash provided by operating activities	**881**	1,125
Cash flows from investing activities:		
Purchases of plant assets	**(190)**	(220)
Purchases of route businesses	**(1)**	(10)
Sales of route businesses	**7**	8
Sales of businesses, net of cash divested	**—**	2,537
Other	**7**	3
Net cash provided by (used in) investing activities	**(177)**	2,318
Cash flows from financing activities:		
Short-term borrowings, including commercial paper and revolving line of credit	**—**	5,610
Short-term repayments, including commercial paper	**(295)**	(6,405)
Long-term borrowings	**—**	1,000
Long-term repayments	**(721)**	(499)
Dividends paid	**(327)**	(320)
Treasury stock issuances	**2**	23
Payments related to tax withholding for stock-based compensation	**(15)**	(10)
Payments related to extinguishment of debt	**—**	(1,768)
Payments of debt issuance costs	**—**	(9)
Net cash used in financing activities	**(1,356)**	(2,378)
Effect of exchange rate changes on cash	**2**	(2)
Net change in cash and cash equivalents	**(650)**	1,063
Cash and cash equivalents — beginning of period (including discontinued operations)	**859**	179
Cash and cash equivalents discontinued operations — end of period	**—**	—
Cash and cash equivalents — end of period	**$ 209**	$ 1,242

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Equity
(unaudited)
(millions, except per share amounts)

	Campbell Soup Company Shareholders' Equity									
	Capital Stock									
	Issued		In Treasury							
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Earnings Retained in the Business	Accumulated Other Comprehensive Income (Loss)		Noncontrolling Interests	Total Equity
Balance at January 26, 2020	323	$ 12	(21)	$ (1,048)	$ 374	$ 3,151	$ 5		$ 5	$ 2,499
Net earnings (loss)						168			—	168
Other comprehensive income (loss)							(12)		1	(11)
Dividends ($.35 per share)						(107)				(107)
Treasury stock issued under management incentive and stock option plans			—	20	12	—				32
Balance at April 26, 2020	323	$ 12	(21)	$ (1,028)	$ 386	$ 3,212	$ (7)		$ 6	$ 2,581
Balance at July 28, 2019	323	$ 12	(22)	$ (1,076)	$ 372	$ 1,993	$ (198)		$ 9	$ 1,112
Net earnings (loss)						1,542			—	1,542
Divestiture									(4)	(4)
Other comprehensive income (loss)							191		1	192
Dividends ($1.05 per share)						(321)				(321)
Treasury stock issued under management incentive and stock option plans			1	48	14	(2)				60
Balance at April 26, 2020	323	$ 12	(21)	$ (1,028)	$ 386	$ 3,212	$ (7)		$ 6	$ 2,581
Balance at January 31, 2021	323	$ 12	(20)	$ (990)	$ 388	$ 3,517	$ (5)		$ 3	$ 2,925
Net earnings (loss)						**160**			**—**	**160**
Other comprehensive income (loss)							**7**		**(1)**	**6**
Dividends ($.37 per share)						**(113)**				**(113)**
Treasury stock issued under management incentive and stock option plans			**—**	**4**	**13**	**—**				**17**
Balance at May 2, 2021	**323**	**$ 12**	**(20)**	**$ (986)**	**$ 401**	**$ 3,564**	**$ 2**		**$ 2**	**$ 2,995**
Balance at August 2, 2020	323	$ 12	(21)	$ (1,023)	$ 394	$ 3,190	$ (10)		$ 6	$ 2,569
Net earnings (loss)						**714**			**—**	**714**
Other comprehensive income (loss)							**12**		**(4)**	**8**
Dividends ($1.09 per share)						**(334)**				**(334)**
Treasury stock issued under management incentive and stock option plans			**1**	**37**	**7**	**(6)**				**38**
Balance at May 2, 2021	**323**	**$ 12**	**(20)**	**$ (986)**	**$ 401**	**$ 3,564**	**$ 2**		**$ 2**	**$ 2,995**

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements
(unaudited)
(currency in millions, except per share amounts)

1. Basis of Presentation and Significant Accounting Policies

In this Form 10-Q, unless otherwise stated, the terms "we," "us," "our" and the "company" refer to Campbell Soup Company and its consolidated subsidiaries.

The consolidated financial statements include our accounts and entities in which we maintain a controlling financial interest and a variable interest entity (VIE) for which we were the primary beneficiary. Intercompany transactions are eliminated in consolidation. See Note 3 for a discussion of Discontinued Operations.

The financial statements reflect all adjustments which are, in our opinion, necessary for a fair statement of the results of operations, financial position, and cash flows for the indicated periods. The accounting policies we used in preparing these financial statements are substantially consistent with those we applied in our Annual Report on Form 10-K for the year ended August 2, 2020.

The results for the period are not necessarily indicative of the results to be expected for other interim periods or the full year. Our fiscal year ends on the Sunday nearest July 31, which is August 1, 2021. There are 52 weeks in 2021. There were 53 weeks in 2020.

2. Recent Accounting Pronouncements

Recently Adopted

In August 2018, the Financial Accounting Standards Board (FASB) issued guidance that eliminates, adds, and modifies certain disclosure requirements for fair value measurements. The guidance is effective for fiscal years beginning after December 15, 2019, and interim periods within those years. We adopted the new guidance at the beginning of the first quarter of 2021. The adoption did not have a material impact on our consolidated financial statements.

In August 2018, the FASB issued guidance on accounting for implementation costs incurred in a cloud computing arrangement that is a service contract. The guidance aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The guidance is effective for fiscal years beginning after December 15, 2019. Entities have the option to apply the guidance prospectively to all implementation costs incurred after the date of adoption or retrospectively. Early adoption is permitted. We adopted the new guidance on a prospective basis at the beginning of the first quarter of 2021. The adoption did not have a material impact on our consolidated financial statements.

Accounting Pronouncements Not Yet Adopted

In August 2018, the FASB issued guidance that changes the disclosure requirements related to defined benefit pension and postretirement plans. The guidance is effective for fiscal years ending after December 15, 2020. The guidance is to be applied on a retrospective basis. The adoption will not have a material impact on our consolidated financial statements.

In December 2019, the FASB issued guidance on simplifying the accounting for income taxes. The guidance removes certain exceptions to the general principles of accounting for income taxes and also improves consistent application of accounting by clarifying or amending existing guidance. The guidance is effective for fiscal years beginning after December 15, 2020, and interim periods within those years. Early adoption is permitted. The adoption is not expected to have a material impact on our consolidated financial statements.

In March 2020, the FASB issued guidance that provides optional expedients and exceptions for a limited period of time for accounting for contracts, hedging relationships, and other transactions affected by the London Interbank Offered Rate (LIBOR) or another reference rate expected to be discontinued. Optional expedients can be applied from March 12, 2020 through December 31, 2022. We are currently evaluating the impact that the new guidance will have on our consolidated financial statements.

3. Divestitures

Discontinued Operations

We completed the sale of our Kelsen business on September 23, 2019, for $322. We also completed the sale of our Arnott’s business and certain other international operations, including the simple meals and shelf-stable beverages businesses in Australia and Asia Pacific (the Arnott's and other international operations), on December 23, 2019, for $2,286. The purchase price was subject to certain post-closing adjustments, which resulted in $4 of additional proceeds in the third quarter of 2020. Beginning in the fourth quarter of 2019, we have reflected the results of operations of the Kelsen business and the Arnott’s and

other international operations (collectively referred to as Campbell International) as discontinued operations in the Consolidated Statements of Earnings for all periods presented. These businesses were historically included in the Snacks reportable segment.

Results of Campbell International in 2020 were as follows:

	Nine Months Ended April 26, 2020
Net sales	$ 359
Earnings before taxes from operations	$ 53
Taxes on earnings from operations	17
Gain on sales of businesses / costs associated with selling the businesses	1,039
Tax expense on sales of businesses / costs associated with selling the businesses	39
Earnings from discontinued operations	$ 1,036

In the third quarter of 2021, we recognized a $6 Loss from discontinued operations due to tax expense from return-to- provision adjustments related to the sales of the businesses.

Under the terms of the sale of the Arnott's and other international operations, we entered into a long-term licensing arrangement for the exclusive rights to certain Campbell brands in certain non-U.S. markets. We provide certain transition services to support the divested business.

Cash flow activity of Campbell International included the following:

	Nine Months Ended April 26, 2020
Cash flows from discontinued operating activities:	
Net gain on sales of discontinued operations businesses	$ 1,039
Cash flows from discontinued investing activities:	
Capital expenditures	$ 30
Sales of discontinued operations businesses, net of cash divested	$ 2,466

Other Divestitures

On October 11, 2019, we completed the sale of our European chips business for £63, or $77. The pre-tax loss recognized in the first quarter of 2020 on the sale was $64, which included the impact of allocated goodwill and foreign currency translation adjustments. For tax purposes, in the first quarter of 2020, the capital loss on the sale was offset by a valuation allowance. In the second quarter of 2020, we recognized a $19 tax benefit in continuing operations as we were able to use the capital loss on this sale to offset a portion of the capital gain from the sale of the Arnott's and other international operations. The European chips business had net sales of $25 for the nine-month period ended April 26, 2020. Earnings were not material in the period. The results of the European chips business through the date of sale were reflected in continuing operations within the Snacks reportable segment.

Pending Divestiture

Subsequent to the end of the quarter, on May 3, 2021, we completed the sale of our Plum baby food and snacks business for $101, subject to certain post-closing adjustments. The purchase agreement contained customary representations, warranties, indemnifications and other obligations between us and the buyer. In addition, we have agreed to indemnify the buyer for certain claims against the Plum baby food and snacks business alleging the presence of heavy metals in the products manufactured or sold on or prior to May 2, 2021, that were pending at the time of closing of the transaction or are asserted within two years thereafter.

The after-tax gain on sale was not material. The business had net sales of $22 and $68 for the three- and nine-month periods ended May 2, 2021, and $27 and $79 for the three- and nine-month periods ended April 26, 2020, respectively. Earnings were not material in the periods. The results of the business through the date of sale are reflected in continuing operations within the Meals & Beverages reportable segment. The assets and liabilities of the business have been reflected as

current Assets of business held for sale and current Liabilities of business held for sale as of May 2, 2021. The assets and liabilities were as follows:

	May 2, 2021
Accounts receivable, net	$ 1
Inventories	15
Plant assets, net of depreciation	24
Goodwill	12
Other intangible assets, net of amortization	70
Total assets	$ 122
Payable to suppliers and others	$ 10
Accrued liabilities	1
Deferred taxes	14
Total liabilities	$ 25

4. Accumulated Other Comprehensive Income (Loss)

The components of Accumulated other comprehensive income (loss) consisted of the following:

	Foreign Currency Translation Adjustments[(1)]	Gains (Losses) on Cash Flow Hedges[(2)]	Pension and Postretirement Benefit Plan Adjustments[(3)]	Total Accumulated Comprehensive Income (Loss)
Balance at July 28, 2019	$ (218)	$ (9)	$ 29	$ (198)
Other comprehensive income (loss) before reclassifications	(11)	7	—	(4)
Amounts reclassified from accumulated other comprehensive income (loss)[(4)]	210	1	(16)	195
Net current-period other comprehensive income (loss)	199	8	(16)	191
Balance at April 26, 2020	$ (19)	$ (1)	$ 13	$ (7)
Balance at August 2, 2020	$ (10)	$ (7)	$ 7	$ (10)
Other comprehensive income (loss) before reclassifications	**18**	**(8)**	**—**	**10**
Amounts reclassified from accumulated other comprehensive income (loss)	**—**	**5**	**(3)**	**2**
Net current-period other comprehensive income (loss)	**18**	**(3)**	**(3)**	**12**
Balance at May 2, 2021	**$ 8**	**$ (10)**	**$ 4**	**$ 2**

(1) Included no tax as of May 2, 2021, August 2, 2020, and April 26, 2020 and tax expense of $4 as of July 28, 2019.
(2) Included a tax benefit of $2 as of May 2, 2021, $1 as of August 2, 2020, tax expense of $1 as of April 26, 2020, and a tax benefit of $2 as of July 28, 2019.
(3) Included tax expense of $1 as of May 2, 2021, $2 as of August 2, 2020, $3 as of April 26, 2020, and $8 as of July 28, 2019.
(4) Reflects amounts reclassified from sales of businesses. See Note 3 for additional information.

Amounts related to noncontrolling interests were not material.

The amounts reclassified from Accumulated other comprehensive income (loss) consisted of the following:

Details about Accumulated Other Comprehensive Income (Loss) Components	Three Months Ended May 2, 2021	Three Months Ended April 26, 2020	Nine Months Ended May 2, 2021	Nine Months Ended April 26, 2020	Location of (Gain) Loss Recognized in Earnings
Foreign currency translation adjustments:					
Currency translation (gains) losses realized upon disposal of businesses	**$ —**	$ —	**$ —**	$ 23	Other expenses / (income)
Currency translation (gains) losses realized upon disposal of businesses	**—**	—	**—**	183	Earnings (loss) from discontinued operations
Total before tax	**—**	—	**—**	206	
Tax expense (benefit)	**—**	—	**—**	4	
(Gain) loss, net of tax	**$ —**	$ —	**$ —**	$ 210	
(Gains) losses on cash flow hedges:					
Foreign exchange forward contracts	**$ 2**	$ 1	**$ 4**	$ —	Cost of products sold
Foreign exchange forward contracts	**—**	—	**—**	1	Earnings (loss) from discontinued operations
Forward starting interest rate swaps	**—**	—	**1**	1	Interest expense
Total before tax	**2**	1	**5**	2	
Tax expense (benefit)	**—**	—	**—**	(1)	
(Gain) loss, net of tax	**$ 2**	$ 1	**$ 5**	$ 1	
Pension and postretirement benefit adjustments:					
Prior service credit	**$ (2)**	$ (7)	**$ (4)**	$ (21)	Other expenses / (income)
Tax expense (benefit)	**1**	2	**1**	5	
(Gain) loss, net of tax	**$ (1)**	$ (5)	**$ (3)**	$ (16)	

5. Goodwill and Intangible Assets

Goodwill

The following table shows the changes in the carrying amount of goodwill by business segment:

	Meals & Beverages	Snacks	Total
Net balance at August 2, 2020	$ 975	$ 3,011	$ 3,986
Amounts reclassified to Assets of business held for sale[(1)]	**(12)**	**—**	**(12)**
Foreign currency translation adjustment	**9**	**—**	**9**
Net balance at May 2, 2021	**$ 972**	**$ 3,011**	**$ 3,983**

(1) See Note 3 for additional information.

Intangible Assets

The following table summarizes balance sheet information for intangible assets, excluding goodwill, subject to amortization and intangible assets not subject to amortization:

Intangible Assets	May 2, 2021 Cost	May 2, 2021 Accumulated Amortization	May 2, 2021 Net	August 2, 2020 Cost	August 2, 2020 Accumulated Amortization	August 2, 2020 Net
Amortizable intangible assets						
Customer relationships	**$ 851**	**$ (143)**	**$ 708**	$ 851	$ (112)	$ 739
Non-amortizable intangible assets						
Trademarks			**2,611**			2,611
Subtotal			**$ 3,319**			$ 3,350
Amounts reclassified to Assets of business held for sale[(1)]			**(70)**			—
Total net intangible assets			**$ 3,249**			$ 3,350

(1) Customer relationships and Trademarks of $8 and $62, respectively, were reclassified to Assets of business held for sale. See Note 3 for additional information.

Non-amortizable intangible assets consist of trademarks. As of May 2, 2021, trademarks primarily included $1,978 associated with Snyder's-Lance. Of the carrying values of all indefinite-lived trademarks, $620 related to the *Snyder's of Hanover* trademark, $292 related to the *Pace* trademark, and $280 related to the *Pacific Foods* trademark.

Amortization of intangible assets in Earnings from continuing operations was $31 and $33 for the nine-month periods ended May 2, 2021, and April 26, 2020, respectively. As of May 2, 2021, amortizable intangible assets had a weighted-average remaining useful life of 18 years. Amortization expense for the next 5 years is estimated to be approximately $41 per year.

6. Segment Information

Our reportable segments are as follows:

- Meals & Beverages, which includes the retail and foodservice businesses in the U.S. and Canada. The segment includes the following products: *Campbell's* condensed and ready-to-serve soups; *Swanson* broth and stocks; *Pacific Foods* broth, soups and non-dairy beverages; *Prego* pasta sauces; *Pace* Mexican sauces; *Campbell's* gravies, pasta, beans and dinner sauces; *Swanson* canned poultry; *Plum* baby food and snacks; *V8* juices and beverages; and *Campbell's* tomato juice; and
- Snacks, which consists of Pepperidge Farm cookies, crackers, fresh bakery and frozen products in U.S. retail, including *Pepperidge Farm* Farmhouse* cookies and bakery products, *Milano** cookies and *Goldfish** crackers; and *Snyder's of Hanover** pretzels, *Lance** sandwich crackers, *Cape Cod** and *Kettle Brand** potato chips, *Late July** snacks, *Snack Factory Pretzel Crisps,** *Pop Secret* popcorn, *Emerald* nuts, and other snacking products in the U.S. and Canada. The segment includes the retail business in Latin America. The segment also included the results of our European chips business, which was sold on October 11, 2019. We refer to the * trademarks as our "power brands."

We evaluate segment performance before interest, taxes and costs associated with restructuring activities and impairment charges. Unrealized gains and losses on undesignated commodity hedging activities are excluded from segment operating earnings and are recorded in Corporate as these open positions represent hedges of future purchases. Upon closing of the contracts, the realized gain or loss is transferred to segment operating earnings, which allows the segments to reflect the economic effects of the hedge without exposure to quarterly volatility of unrealized gains and losses. Only the service cost component of pension and postretirement expense is allocated to segments. All other components of expense, including interest cost, expected return on assets, amortization of prior service credits and recognized actuarial gains and losses are reflected in Corporate and not included in segment operating results. Asset information by segment is not discretely maintained for internal reporting or used in evaluating performance.

	Three Months Ended		Nine Months Ended	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Net sales				
Meals & Beverages	**$ 1,039**	$ 1,210	**$ 3,681**	$ 3,628
Snacks	**945**	1,028	**2,922**	2,955
Total	**$ 1,984**	$ 2,238	**$ 6,603**	$ 6,583

	Three Months Ended		Nine Months Ended	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Earnings before interest and taxes				
Meals & Beverages	**$ 179**	$ 275	**$ 770**	$ 799
Snacks	**109**	154	**392**	415
Corporate[1]	**(14)**	(156)	**(7)**	(264)
Restructuring charges[2]	**(2)**	—	**(21)**	(10)
Total	**$ 272**	$ 273	**$ 1,134**	$ 940

(1) Represents unallocated items. Pension benefit settlement adjustments are included in Corporate. There were settlement gains of $4 and $38 in the three- and nine-month periods ended May 2, 2021, and charges of $54 and $43 in the three- and nine-month periods ended April 26, 2020, respectively. A loss of $45 on Acre Venture Partners, L.P. (Acre) was included in the three- and nine-month periods ended April 26, 2020. A loss of $64 on the sale of our European chips business was included in the nine-month period ended April 26, 2020. Costs related to the cost savings initiatives were $13 and $14 in the three-month periods and $22 and $40 in the nine-month periods ended May 2, 2021, and April 26, 2020, respectively.

(2) See Note 7 for additional information.

Our net sales based on product categories are as follows:

	Three Months Ended		Nine Months Ended	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Net sales				
Soup	**$ 544**	$ 681	**$ 2,164**	$ 2,144
Snacks	**961**	1,040	**2,958**	3,005
Other simple meals	**278**	324	**896**	886
Beverages	**201**	193	**585**	548
Total	**$ 1,984**	$ 2,238	**$ 6,603**	$ 6,583

Soup includes various soup, broths and stock products. Snacks include cookies, pretzels, crackers, popcorn, nuts, potato chips, tortilla chips and other salty snacks and baked products. Other simple meals include sauces and Plum products. Beverages include *V8* juices and beverages, *Campbell's* tomato juice and *Pacific Foods* non-dairy beverages.

7. Restructuring Charges and Cost Savings Initiatives

Multi-year Cost Savings Initiatives and Snyder's-Lance Cost Transformation Program and Integration

Beginning in fiscal 2015, we implemented initiatives to reduce costs and to streamline our organizational structure.

In recent years, we expanded these initiatives by further optimizing our supply chain and manufacturing networks, including closing our manufacturing facility in Toronto, Ontario, as well as our information technology infrastructure.

On March 26, 2018, we completed the acquisition of Snyder's-Lance, Inc. (Snyder's-Lance). Prior to the acquisition, Snyder's-Lance launched a cost transformation program following a comprehensive review of its operations with the goal of significantly improving its financial performance. We continue to implement this program. In addition, we have identified opportunities for additional cost synergies as we integrate Snyder's-Lance.

Cost estimates, as well as timing for certain activities, are continuing to be developed.

A summary of the pre-tax charges recorded in Earnings from continuing operations related to these initiatives is as follows:

	Three Months Ended		Nine Months Ended		
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020	Recognized as of May 2, 2021
Restructuring charges	**$ 2**	$ —	**$ 21**	$ 10	$ 259
Administrative expenses	**11**	10	**21**	31	332
Cost of products sold	**2**	4	**1**	6	77
Marketing and selling expenses	**—**	—	**—**	2	12
Research and development expenses	**—**	—	**—**	1	4
Total pre-tax charges	**$ 15**	$ 14	**$ 43**	$ 50	$ 684

A summary of the pre-tax costs in Earnings from discontinued operations associated with these initiatives is as follows:

	Recognized as of May 2, 2021
Severance pay and benefits	$ 19
Implementation costs and other related costs	4
Total	$ 23

As of April 28, 2019, we incurred substantially all of the costs for actions associated with discontinued operations. All of the costs were cash expenditures.

A summary of the pre-tax costs in Earnings from continuing operations associated with the initiatives is as follows:

	Recognized as of May 2, 2021
Severance pay and benefits	$ 221
Asset impairment/accelerated depreciation	81
Implementation costs and other related costs	382
Total	$ 684

The total estimated pre-tax costs for actions associated with continuing operations that have been identified are approximately $700 to $730 and we expect to incur the costs through 2022. This estimate will be updated as costs for the expanded initiatives are developed.

We expect the costs for actions associated with continuing operations that have been identified to date to consist of the following: approximately $220 to $225 in severance pay and benefits; approximately $85 in asset impairment and accelerated depreciation; and approximately $395 to $420 in implementation costs and other related costs. We expect these pre-tax costs to be associated with our segments as follows: Meals & Beverages - approximately 32%; Snacks - approximately 44%; and Corporate - approximately 24%.

Of the aggregate $700 to $730 of pre-tax costs associated with continuing operations identified to date, we expect approximately $600 to $630 will be cash expenditures. In addition, we expect to invest approximately $430 in capital expenditures through 2022, of which we invested $382 as of May 2, 2021. The capital expenditures primarily relate to a U.S. warehouse optimization project, improvement of quality, safety and cost structure across the Snyder's-Lance manufacturing network, implementation of our existing SAP enterprise-resource planning system for Snyder's-Lance, transition of production of the Toronto manufacturing facility to our U.S. thermal plants, optimization of information technology infrastructure and applications and optimization of the Snyder's-Lance warehouse and distribution network.

A summary of the restructuring activity and related reserves associated with continuing operations at May 2, 2021, is as follows:

	Severance Pay and Benefits	Implementation Costs and Other Related Costs(3)	Asset Impairment/Accelerated Depreciation	Other Non-Cash Exit Costs(4)	Total Charges
Accrued balance at August 2, 2020(1)	$ 15				
2021 charges	**6**	**19**	**14**	**4**	**$ 43**
2021 cash payments	**(12)**				
Accrued balance at May 2, 2021(2)	**$ 9**				

(1) Includes $3 of severance pay and benefits recorded in Other liabilities in the Consolidated Balance Sheet.

(2) Includes $2 of severance pay and benefits recorded in Other liabilities in the Consolidated Balance Sheet.

(3) Includes other costs recognized as incurred that are not reflected in the restructuring reserve in the Consolidated Balance Sheet. The costs are included in Administrative expenses and Cost of products sold in the Consolidated Statements of Earnings.

(4) Includes non-cash costs that are not reflected in the restructuring reserve in the Consolidated Balance Sheet.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs in Earnings from continuing operations associated with segments is as follows:

	May 2, 2021		
	Three Months Ended	Nine Months Ended	Costs Incurred to Date
Meals & Beverages	$ 1	$ 2	$ 222
Snacks	13	39	290
Corporate	1	2	172
Total	$ 15	$ 43	$ 684

In addition, in the second quarter of 2021, we recorded a $19 deferred tax charge in connection with a legal entity reorganization as part of the continued integration of Snyder's-Lance.

8. Earnings per Share (EPS)

For the periods presented in the Consolidated Statements of Earnings, the calculations of basic EPS and EPS assuming dilution vary in that the weighted average shares outstanding assuming dilution include the incremental effect of stock options and other share-based payment awards, except when such effect would be antidilutive. The earnings per share calculation for the three- and nine-month periods ended May 2, 2021, and April 26, 2020, excludes approximately 1 million stock options that would have been antidilutive.

9. Pension and Postretirement Benefits

Components of net benefit expense (income) were as follows:

	Three Months Ended				Nine Months Ended			
	Pension		Postretirement		Pension		Postretirement	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Service cost	**$ 5**	$ 4	**$ —**	$ —	**$ 14**	$ 14	**$ —**	$ —
Interest cost	**10**	14	**1**	2	**30**	48	**3**	5
Expected return on plan assets	**(31)**	(31)	**—**	—	**(92)**	(100)	**—**	—
Amortization of prior service cost	**—**	—	**(2)**	(7)	**—**	—	**(4)**	(21)
Settlement charges (gains)	**(4)**	54	**—**	—	**(38)**	43	**—**	—
Net periodic benefit expense (income)	**$ (20)**	$ 41	**$ (1)**	$ (5)	**$ (86)**	$ 5	**$ (1)**	$ (16)

The components of net periodic benefit expense (income) other than the service cost component associated with continuing operations are included in Other expenses / (income) in the Consolidated Statements of Earnings.

The settlement charges (gains) resulted from the level of lump sum distributions associated with U.S. and Canadian pension plans.

Net periodic pension benefit expense (income) associated with discontinued operations was not material for the nine-month period ended April 26, 2020.

10. Leases

The components of lease costs were as follows:

	Three Months Ended		Nine Months Ended	
	May 2, 2021	**April 26, 2020**	**May 2, 2021**	**April 26, 2020**
Operating lease cost	**$ 20**	$ 20	**$ 60**	$ 60
Finance lease - amortization of right-of-use (ROU) assets	**1**	1	**3**	2
Short-term lease cost	**11**	11	**32**	31
Variable lease cost[1]	**45**	43	**137**	129
Sublease income	**(1)**	(1)	**(2)**	(3)
Total[2]	**$ 76**	$ 74	**$ 230**	$ 219

(1) Includes labor and other overhead in our service contracts with embedded leases.

(2) Total lease cost of $4 for the nine-month period ended April 26, 2020, related to discontinued operations.

The following tables summarize the lease amounts recorded in the Consolidated Balance Sheets:

	Operating Leases		
	Balance Sheet Location	**May 2, 2021**	**August 2, 2020**
ROU assets, net	Other assets	**$ 236**	$ 254
Lease liabilities (current)	Accrued liabilities	**$ 57**	$ 67
Lease liabilities (noncurrent)	Other liabilities	**$ 178**	$ 184

	Finance Leases		
	Balance Sheet Location	**May 2, 2021**	**August 2, 2020**
ROU assets, net	Plant assets, net of depreciation	**$ 10**	$ 10
Lease liabilities (current)	Short-term borrowings	**$ 4**	$ 3
Lease liabilities (noncurrent)	Long-term debt	**$ 7**	$ 7

The following table summarizes cash flow and other information related to leases:

	Nine Months Ended	
	May 2, 2021	**April 26, 2020**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**$ 60**	$ 59
Financing cash flows from finance leases	**$ 3**	$ 1
ROU assets obtained in exchange for lease obligations:		
Operating leases	**$ 39**	$ 77
Finance leases	**$ 4**	$ 8
ROU assets divested with businesses sold:		
Operating leases	**$ —**	$ 18
Finance leases	**$ —**	$ 5

11. Financial Instruments

The principal market risks to which we are exposed are changes in foreign currency exchange rates, interest rates and commodity prices. In addition, we are exposed to equity price changes related to certain deferred compensation obligations. In order to manage these exposures, we follow established risk management policies and procedures, including the use of derivative contracts such as swaps, rate locks, options, forwards and commodity futures. We enter into these derivative contracts for periods consistent with the related underlying exposures, and the contracts do not constitute positions independent of those exposures. We do not enter into derivative contracts for speculative purposes and do not use leveraged instruments.

Our derivative programs include instruments that qualify for hedge accounting treatment and instruments that are not designated as accounting hedges.

Concentration of Credit Risk

We are exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. To mitigate counterparty credit risk, we enter into contracts only with carefully selected, leading, credit-worthy financial institutions, and distribute contracts among several financial institutions to reduce the concentration of credit risk. We did not have credit-risk-related contingent features in our derivative instruments as of May 2, 2021, or August 2, 2020.

We are also exposed to credit risk from our customers. During 2020, our largest customer accounted for approximately 21% of consolidated net sales from continuing operations. Our five largest customers accounted for approximately 44% of our consolidated net sales from continuing operations in 2020.

We closely monitor credit risk associated with counterparties and customers.

Foreign Currency Exchange Risk

We are exposed to foreign currency exchange risk related to third-party transactions and intercompany transactions, including intercompany debt. Principal currencies hedged include the Canadian dollar and, prior to the sale of Arnott's and other international operations, the Australian dollar. We utilize foreign exchange forward purchase and sale contracts to hedge these exposures. The contracts are either designated as cash-flow hedging instruments or are undesignated. We hedge portions of our forecasted foreign currency transaction exposure with foreign exchange forward contracts for periods typically up to 18 months. To hedge currency exposures related to intercompany debt, we enter into foreign exchange forward purchase and sale contracts for periods consistent with the underlying debt. The notional amount of foreign exchange forward contracts accounted for as cash-flow hedges was $128 as of May 2, 2021, and $164 as of August 2, 2020. Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of cash-flow hedges are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows. For derivatives that are designated and qualify as hedging instruments, the initial fair value of hedge components excluded from the assessment of effectiveness is recognized in earnings under a systematic and rational method over the life of the hedging instrument and is presented in the same statement of earnings line item as the earnings effect of the hedged item. Any difference between the change in the fair value of the hedge components excluded from the assessment of effectiveness and the amounts recognized in earnings is recorded as a component of other comprehensive income (loss). The notional amount of foreign exchange forward contracts that are not designated as accounting hedges was $14 as of May 2, 2021, and $19 as of August 2, 2020.

Interest Rate Risk

We manage our exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps in order to maintain our variable-to-total debt ratio within targeted guidelines. Receive fixed rate/pay variable rate interest rate swaps are accounted for as fair-value hedges. Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of a fair-value hedge, along with the gain or loss on the underlying hedged asset or liability, are recorded in current-period earnings. We manage our exposure to interest rate volatility on future debt issuances by entering into forward starting interest rate swaps or treasury rate lock contracts to lock in the rate on the interest payments related to the anticipated debt issuances. The contracts are either designated as cash-flow hedging instruments or are undesignated. Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of cash-flow hedges are recorded in other comprehensive income (loss), and reclassified into interest expense over the life of the debt. The change in fair value on undesignated instruments is recorded in interest expense. There were no forward starting interest rate swaps or treasury rate lock contracts outstanding as of May 2, 2021, or August 2, 2020.

Commodity Price Risk

We principally use a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. We also enter into commodity futures, options and swap contracts to reduce the volatility of price fluctuations of wheat, soybean oil, diesel fuel, natural gas, cocoa, aluminum, corn, soybean meal, and butter. Commodity futures, options, and swap contracts are either designated as cash-flow hedging instruments or are undesignated. We hedge a portion of commodity requirements for periods typically up to 18 months. The notional amount of commodity contracts designated as cash flow hedges was $18 as of May 2, 2021. There were no commodity contracts designated as cash flow hedges as of August 2, 2020. Changes in the fair value on the portion of the derivative included in the assessment of hedge effectiveness of cash-flow hedges are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows. The notional amount of commodity contracts not designated as accounting hedges was $203 as of May 2, 2021, and $137 as of August 2, 2020.

We have a supply contract under which prices for certain raw materials are established based on anticipated volume requirements over a twelve-month period. Certain prices under the contract are based in part on certain component parts of the raw materials that are

in excess of our needs or not required for our operations, thereby creating an embedded derivative

requiring bifurcation. We net settle amounts due under the contract with our counterparty. The notional value was approximately $61 as of May 2, 2021, and $34 as of August 2, 2020.

Unrealized gains (losses) and settlements are included in Cost of products sold in our Consolidated Statements of Earnings.

Equity Price Risk

We enter into swap contracts which hedge a portion of exposures relating to certain deferred compensation obligations linked to the total return of our capital stock, the total return of the Vanguard Institutional Index Institutional Plus Shares, and the total return of the Vanguard Total International Stock Index. Under these contracts, we pay variable interest rates and receive from the counterparty either: the total return on our capital stock; the total return of the Standard & Poor's 500 Index, which is expected to approximate the total return of the Vanguard Institutional Index Institutional Plus Shares; or the total return of the iShares MSCI EAFE Index, which is expected to approximate the total return of the Vanguard Total International Stock Index. These contracts were not designated as hedges for accounting purposes. Unrealized gains (losses) and settlements are included in Administrative expenses in the Consolidated Statements of Earnings. We enter into these contracts for periods typically not exceeding 12 months. The notional amounts of the contracts were $35 as of May 2, 2021, and $22 as of August 2, 2020.

The following table summarizes the fair value of derivative instruments on a gross basis as recorded in the Consolidated Balance Sheets as of May 2, 2021, and August 2, 2020:

	Balance Sheet Classification	May 2, 2021	August 2, 2020
Asset Derivatives			
Derivatives designated as hedges:			
Commodity derivative contracts	Other current assets	**$ 2**	$ —
Foreign exchange forward contracts	Other current assets	**—**	1
Total derivatives designated as hedges		**$ 2**	$ 1
Derivatives not designated as hedges:			
Commodity derivative contracts	Other current assets	**$ 35**	$ 7
Deferred compensation derivative contracts	Other current assets	**2**	4
Commodity derivative contracts	Other assets	**3**	—
Total derivatives not designated as hedges		**$ 40**	$ 11
Total asset derivatives		**$ 42**	$ 12

	Balance Sheet Classification	May 2, 2021	August 2, 2020
Liability Derivatives			
Derivatives designated as hedges:			
Foreign exchange forward contracts	Accrued liabilities	**$ 7**	$ 2
Total derivatives designated as hedges		**$ 7**	$ 2
Derivatives not designated as hedges:			
Commodity derivative contracts	Accrued liabilities	**$ —**	$ 9
Total derivatives not designated as hedges		**$ —**	$ 9
Total liability derivatives		**$ 7**	$ 11

We do not offset the fair values of derivative assets and liabilities executed with the same counterparty that are generally subject to enforceable netting agreements. However, if we were to offset and record the asset and liability balances of

derivatives on a net basis, the amounts presented in the Consolidated Balance Sheets as of May 2, 2021, and August 2, 2020, would be adjusted as detailed in the following table:

	May 2, 2021			August 2, 2020		
Derivative Instrument	**Gross Amounts Presented in the Consolidated Balance Sheet**	**Gross Amounts Not Offset in the Consolidated Balance Sheet Subject to Netting Agreements**	**Net Amount**	**Gross Amounts Presented in the Consolidated Balance Sheet**	**Gross Amounts Not Offset in the Consolidated Balance Sheet Subject to Netting Agreements**	**Net Amount**
Total asset derivatives	**$ 42**	**$ —**	**$ 42**	$ 12	$ (4)	$ 8
Total liability derivatives	**$ 7**	**$ —**	**$ 7**	$ 11	$ (4)	$ 7

We are required to maintain cash margin accounts in connection with funding the settlement of open positions for exchange-traded commodity derivative instruments. A cash margin liability balance of $11 at May 2, 2021, and an asset balance of $8 at August 2, 2020, were included in Accrued liabilities and Other current assets, respectively, in the Consolidated Balance Sheets.

The following tables show the effect of our derivative instruments designated as cash-flow hedges for the three- and nine-month periods ended May 2, 2021, and April 26, 2020, in other comprehensive income (loss) (OCI) and the Consolidated Statements of Earnings:

		Total Cash-Flow Hedge OCI Activity	
Derivatives Designated as Cash-Flow Hedges		**May 2, 2021**	**April 26, 2020**
Three Months Ended			
OCI derivative gain (loss) at beginning of quarter		**$ (12)**	$ (9)
Effective portion of changes in fair value recognized in OCI:			
Commodity contracts		**2**	—
Foreign exchange forward contracts		**(4)**	8
Amount of (gain) loss reclassified from OCI to earnings:	**Location in Earnings**		
Foreign exchange forward contracts	Cost of products sold	**2**	1
OCI derivative gain (loss) at end of quarter		**$ (12)**	$ —
Nine Months Ended			
OCI derivative gain (loss) at beginning of year		**$ (8)**	$ (11)
Effective portion of changes in fair value recognized in OCI:			
Commodity contracts		**2**	—
Foreign exchange forward contracts		**(11)**	9
Amount of (gain) loss reclassified from OCI to earnings:	**Location in Earnings**		
Foreign exchange forward contracts	Cost of products sold	**4**	—
Foreign exchange forward contracts	Earnings (loss) from discontinued operations	**—**	1
Forward starting interest rate swaps	Interest expense	**1**	1
OCI derivative gain (loss) at end of quarter		**$ (12)**	$ —

Based on current valuations, the amount expected to be reclassified from OCI into earnings within the next 12 months is a loss of $6.

The following tables show the effect of our derivative instruments designated as cash-flow hedges for the three- and nine-month periods ended May 2, 2021, and April 26, 2020, in the Consolidated Statements of Earnings:

	Three Months Ended				
	May 2, 2021		April 26, 2020		
	Cost of products sold	Interest expense	Cost of products sold	Earnings from discontinued operations	Interest expense
Consolidated Statements of Earnings:	**$ 1,356**	**$ 53**	$ 1,466	$ 2	$ 55
(Gain) loss on Cash Flow Hedges:					
Amount of (gain) loss reclassified from OCI to earnings	**$ 2**	**$ —**	$ 1	$ —	$ —
Amount excluded from effectiveness testing recognized in earnings using an amortization approach	**$ —**	**$ —**	$ —	$ —	$ —

	Nine Months Ended				
	May 2, 2021		April 26, 2020		
	Cost of products sold	Interest expense	Cost of product sold	Earnings from discontinued operations	Interest expense
Consolidated Statements of Earnings:	**$ 4,379**	**$ 163**	$ 4,331	$ 1,036	$ 284
(Gain) loss on Cash Flow Hedges:					
Amount of (gain) loss reclassified from OCI to earnings	**$ 4**	**$ 1**	$ —	$ 1	$ 1
Amount excluded from effectiveness testing recognized in earnings using an amortization approach	**$ —**	**$ —**	$ —	$ —	$ —

The following table shows the effects of our derivative instruments not designated as hedges for the three- and nine-month periods ended May 2, 2021, and April 26, 2020, in the Consolidated Statements of Earnings:

		Amount of (Gain) Loss Recognized in Earnings on Derivatives			
		Three Months Ended		Nine Months Ended	
Derivatives not Designated as Hedges	**Location of (Gain) Loss Recognized in Earnings**	**May 2, 2021**	**April 26, 2020**	**May 2, 2021**	**April 26, 2020**
Foreign exchange forward contracts	Cost of products sold	**$ 1**	$ (1)	**$ 2**	$ (1)
Foreign exchange forward contracts	Other expenses / (income)	**—**	—	**—**	2
Commodity derivative contracts	Cost of products sold	**(24)**	31	**(39)**	27
Deferred compensation derivative contracts	Administrative expenses	**(3)**	5	**(6)**	1
Treasury rate lock contracts	Interest expense	**—**	—	**—**	(3)
Total (gain) loss at end of quarter		**$ (26)**	$ 35	**$ (43)**	$ 26

12. Fair Value Measurements

We categorize financial assets and liabilities based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data.
- Level 3: Unobservable inputs, which are valued based on our estimates of assumptions that market participants would use in pricing the asset or liability.

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. When available, we use unadjusted quoted market prices to measure the fair value and classify such items as Level 1. If quoted market prices are not available, we base fair value upon internally developed models that use current market-based or independently sourced market parameters such as

interest rates and currency rates. Included in the fair value of derivative instruments is an adjustment for credit and nonperformance risk.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents our financial assets and liabilities that are measured at fair value on a recurring basis as of May 2, 2021, and August 2, 2020, consistent with the fair value hierarchy:

	Fair Value as of May 2, 2021	Fair Value Measurements at May 2, 2021 Using Fair Value Hierarchy			Fair Value as of August 2, 2020	Fair Value Measurements at August 2, 2020 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Foreign exchange forward contracts[1]	**$ —**	**$ —**	**$ —**	**$ —**	$ 1	$ —	$ 1	$ —
Commodity derivative contracts[2]	**40**	**21**	**18**	**1**	7	3	2	2
Deferred compensation derivative contracts[3]	**2**	**—**	**2**	**—**	4	—	4	—
Deferred compensation investments[4]	**3**	**3**	**—**	**—**	3	3	—	—
Total assets at fair value	**$ 45**	**$ 24**	**$ 20**	**$ 1**	$ 15	$ 6	$ 7	$ 2

	Fair Value as of May 2, 2021	Fair Value Measurements at May 2, 2021 Using Fair Value Hierarchy			Fair Value as of August 2, 2020	Fair Value Measurements at August 2, 2020 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Liabilities								
Foreign exchange forward contracts[1]	**$ 7**	**$ —**	**$ 7**	**$ —**	$ 2	$ —	$ 2	$ —
Commodity derivative contracts[2]	**—**	**—**	**—**	**—**	9	5	4	—
Deferred compensation obligation[4]	**101**	**101**	**—**	**—**	92	92	—	—
Total liabilities at fair value	**$ 108**	**$ 101**	**$ 7**	**$ —**	$ 103	$ 97	$ 6	$ —

(1) Based on observable market transactions of spot currency rates and forward rates.

(2) Level 1 and 2 are based on quoted futures exchanges and on observable prices of futures and options transactions in the marketplace. Level 3 is based on unobservable inputs in which there is little or no market data, which requires management's own assumptions within an internally developed model.

(3) Based on LIBOR and equity index swap rates.

(4) Based on the fair value of the participants' investments.

The following table summarizes the changes in fair value of Level 3 assets and liabilities for the nine-month periods ended May 2, 2021, and April 26, 2020:

	Nine Months Ended	
	May 2, 2021	April 26, 2020[(1)]
Fair value at beginning of year	**$ 2**	$ 76
Gains (losses)	**2**	(46)
Purchases	**—**	1
Settlements	**(3)**	(1)
Fair value at end of quarter	**$ 1**	$ 30

(1) Primarily represented investments in equity securities that were not readily marketable and were accounted for under the fair value option. The investments were funded by Acre, a limited partnership in which we were the sole limited partner. Fair value was based on analyzing recent transactions and transactions of comparable companies, and the discounted cash flow method. In addition, allocation methods, including the option pricing method, were used in distributing fair value among various equity holders according to rights and preferences. We entered into an agreement to sell our interest in Acre on April 26, 2020, and completed the sale on May 8, 2020. As a result of the pending sale, we adjusted the fair value as of April 26, 2020 based on the proceeds.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate fair value.

There were no cash equivalents at May 2, 2021, and $157 at August 2, 2020. Cash equivalents represent fair value as these highly liquid investments have an original maturity of three months or less. Fair value of cash equivalents is based on Level 2 inputs.

The fair value of short- and long-term debt was $5,641 at May 2, 2021, and $6,995 at August 2, 2020. The carrying value was $5,201 at May 2, 2021, and $6,196 at August 2, 2020. The fair value of long-term debt is principally estimated using Level 2 inputs based on quoted market prices or pricing models using current market rates.

13. Share Repurchases

In March 2017, the Board authorized a strategic share repurchase program to purchase up to $1,500 (March 2017 program). The March 2017 program has no expiration date, but it may be suspended or discontinued at any time. In addition to the March 2017 program, we had a separate Board authorization to purchase shares to offset the impact of dilution from shares issued under our stock compensation programs (anti-dilutive program). We suspended all of our share repurchases, including our anti-dilutive program, as of the second quarter of 2018. Approximately $1,296 remained available under the March 2017 program as of May 2, 2021, which remains suspended.

In June 2021, the Board authorized a new anti-dilutive share repurchase program of up to $250 (June 2021 program) to offset the impact of dilution from shares issued under our stock compensation programs. The June 2021 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the June 2021 program may be made in open-market or privately negotiated transactions.

14. Stock-based Compensation

We provide compensation benefits by issuing stock options, unrestricted stock and restricted stock units (including time-lapse restricted stock units, EPS performance restricted stock units, total shareholder return (TSR) performance restricted stock units, and free cash flow (FCF) performance restricted stock units). In 2021, we issued time-lapse restricted stock units, unrestricted stock and TSR performance restricted stock units. We have not issued stock options, FCF performance restricted stock units, or EPS performance restricted stock units in 2021.

In determining stock-based compensation expense, we estimate forfeitures expected to occur. Total pre-tax stock-based compensation expense and tax-related benefits recognized in Earnings from continuing operations were as follows:

	Three Months Ended		Nine Months Ended	
	May 2, 2021	April 26, 2020	May 2, 2021	April 26, 2020
Total pre-tax stock-based compensation expense	**$ 17**	$ 14	**$ 51**	$ 45
Tax-related benefits	**$ 3**	$ 3	**$ 9**	$ 9

In the nine-month period ended April 26, 2020, total pre-tax stock-based compensation expense recognized in Earnings from discontinued operations was $2. The tax-related benefits were not material.

The following table summarizes stock option activity as of May 2, 2021:

	Options (Options in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (In years)	Aggregate Intrinsic Value
Outstanding at August 2, 2020	1,423	$ 45.42		
Granted	—	$ —		
Exercised	(51)	$ 33.65		
Terminated	—	$ —		
Outstanding at May 2, 2021	1,372	$ 45.61	6.2	$ 6
Exercisable at May 2, 2021	1,079	$ 48.36	5.8	$ 3

The total intrinsic value of options exercised during the nine-month period ended May 2, 2021 was not material. The total intrinsic value of options exercised during the nine-month period ended April 26, 2020 was $2. We measured the fair value of stock options using the Black-Scholes option pricing model.

We expense stock options on a straight-line basis over the vesting period, except for awards issued to retirement eligible participants, which we expense on an accelerated basis. As of May 2, 2021, total remaining unearned compensation related to nonvested stock options was $1, which will be amortized over the weighted-average remaining service period of less than one year.

The following table summarizes time-lapse restricted stock units, EPS performance restricted stock units and FCF performance restricted stock units as of May 2, 2021:

	Units (Restricted stock units in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested at August 2, 2020	1,866	$ 43.18
Granted	887	$ 48.43
Vested	(790)	$ 42.82
Forfeited	(129)	$ 46.59
Nonvested at May 2, 2021	1,834	$ 45.64

We determine the fair value of time-lapse restricted stock units and EPS performance restricted stock units based on the quoted price of our stock at the date of grant. We expense time-lapse restricted stock units on a straight-line basis over the vesting period, except for awards issued to retirement-eligible participants, which we expense on an accelerated basis. We expensed EPS performance restricted stock units on a graded-vesting basis, except for awards issued to retirement-eligible participants, which we expensed on an accelerated basis. The actual number of EPS performance restricted stock units issued at the vesting date was either 0% or 100% of the initial grant, depending on actual performance achieved. We estimated expense based on the number of awards expected to vest. As of November 1, 2020, there were no EPS performance target grants outstanding.

In 2019, we issued approximately 388 thousand FCF performance restricted stock units for which vesting is contingent upon achievement of free cash flow (defined as Net cash provided by operating activities less capital expenditures and certain investing and financing activities) compared to annual operating plan objectives over a three-year period. An annual objective was established each fiscal year for three consecutive years. Performance against these objectives will be averaged at the end of the three-year period to determine the number of underlying units that will vest at the end of the three years. The actual number of FCF performance restricted stock units issued at the vesting date could range from 0% to 200% of the initial grant depending on actual performance achieved. The fair value of FCF performance restricted stock units is based upon the quoted price of our stock at the date of grant. We expense FCF performance restricted stock units over the requisite service period of each objective. As of November 1, 2020, we have granted all of the issued FCF performance restricted stock units, which are included in the table above. There were 241 thousand FCF performance target grants outstanding at May 2, 2021, with a weighted-average grant-date fair value of $44.10.

As of May 2, 2021, total remaining unearned compensation related to nonvested time-lapse restricted stock units and FCF performance restricted units was $38, which will be amortized over the weighted-average remaining service period of 1.7 years. The fair value of restricted stock units vested during the nine-month periods ended May 2, 2021, and April 26, 2020, was $38,

and $34, respectively. The weighted-average grant-date fair value of the restricted stock units granted during the nine-month period ended April 26, 2020 was $46.77.

The following table summarizes TSR performance restricted stock units as of May 2, 2021:

	Units	Weighted-Average Grant-Date Fair Value
	(Restricted stock units in thousands)	
Nonvested at August 2, 2020	1,254	$ 47.83
Granted	521	$ 54.93
Vested	(236)	$ 39.39
Forfeited	(296)	$ 42.66
Nonvested at May 2, 2021	1,243	$ 53.63

We estimated the fair value of TSR performance restricted stock units at the grant date using a Monte Carlo simulation.

Assumptions used in the Monte Carlo simulation were as follows:

	2021	2020
Risk-free interest rate	**0.15%**	1.48%
Expected dividend yield	**2.85%**	2.95%
Expected volatility	**29.99%**	27.01%
Expected term	**3 years**	3 years

We recognize compensation expense on a straight-line basis over the service period, except for awards issued to retirement eligible participants, which we expense on an accelerated basis. As of May 2, 2021, total remaining unearned compensation related to TSR performance restricted stock units was $30, which will be amortized over the weighted-average remaining service period of 1.8 years. In the first quarter of 2021, recipients of TSR performance restricted stock units earned 50% of the initial grants based upon our TSR ranking in a performance peer group during a three-year period ended July 31, 2020. In the first quarter of 2020, recipients of TSR performance restricted stock units earned 0% of the initial grants based upon our TSR ranking in a performance peer group during a three-year period ended July 26, 2019. The fair value of TSR performance restricted stock units vested during the nine-month period ended May 2, 2021 was $11. The grant-date fair value of the TSR performance restricted stock units granted during 2020 was $63.06.

The excess tax benefits of $1 in the nine-month periods ended May 2, 2021 and April 26, 2020, on the exercise of stock options and vested restricted stock were presented as cash flows from operating activities. Cash received from the exercise of stock options was $2 and $23 for the nine-month periods ended May 2, 2021, and April 26, 2020, respectively, and is reflected in cash flows from financing activities in the Consolidated Statements of Cash Flows.

15. Commitments and Contingencies

Regulatory and Litigation Matters

We are involved in various pending or threatened legal or regulatory proceedings, including purported class actions, arising from the conduct of business both in the ordinary course and otherwise. Modern pleading practice in the U.S. permits considerable variation in the assertion of monetary damages or other relief. Jurisdictions may permit claimants not to specify the monetary damages sought or may permit claimants to state only that the amount sought is sufficient to invoke the jurisdiction of the trial court. In addition, jurisdictions may permit plaintiffs to allege monetary damages in amounts well exceeding reasonably possible verdicts in the jurisdiction for similar matters. This variability in pleadings, together with our actual experiences in litigating or resolving through settlement numerous claims over an extended period of time, demonstrates to us that the monetary relief which may be specified in a lawsuit or claim bears little relevance to its merits or disposition value.

Due to the unpredictable nature of litigation, the outcome of a litigation matter and the amount or range of potential loss at particular points in time is normally difficult to ascertain. Uncertainties can include how fact finders will evaluate documentary evidence and the credibility and effectiveness of witness testimony, and how trial and appellate courts will apply the law in the context of the pleadings or evidence presented, whether by motion practice, or at trial or on appeal. Disposition valuations are also subject to the uncertainty of how opposing parties and their counsel will themselves view the relevant evidence and applicable law.

On January 7, 2019, three purported shareholder class action lawsuits pending in the United States District Court for the District of New Jersey (the Court) were consolidated under the caption, *In re Campbell Soup Company Securities Litigation*,

Civ. No. 1:18-cv-14385-NLH-JS (the Action). Oklahoma Firefighters Pension and Retirement System was appointed lead plaintiff in the Action and, on March 1, 2019, filed an amended consolidated complaint. The company, Denise Morrison (the company's former President and Chief Executive Officer), and Anthony DiSilvestro (the company's former Senior Vice President and Chief Financial Officer) are defendants in the Action. The amended consolidated complaint alleges that, in public statements between July 19, 2017 and May 17, 2018, the defendants made materially false and misleading statements and/or omitted material information about the company's business, operations, customer relationships, and prospects, specifically with regard to the Campbell Fresh segment. The amended consolidated complaint seeks unspecified monetary damages and other relief. On April 30, 2019, the defendants filed a motion to dismiss the amended consolidated complaint, which the Court granted on November 30, 2020, with leave to amend the complaint. On January 15, 2021, the plaintiff filed its second amended consolidated complaint. The second amended consolidated complaint again names as defendants the company and certain of its former officers and alleges that, in public statements between August 31, 2017 and May 17, 2018, the defendants made materially false and misleading statements and/or omitted material information about the company's business, operations, customer relationships, and prospects, specifically with regard to the Campbell Fresh segment. The second amended consolidated complaint seeks unspecified monetary damages and other relief. On March 10, 2021 the defendants filed a motion to dismiss the second amended consolidated complaint. We are vigorously defending against the Action.

We establish liabilities for litigation and regulatory loss contingencies when information related to the loss contingencies shows both that it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. It is possible that some matters could require us to pay damages or make other expenditures or establish accruals in amounts that could not be reasonably estimated as of May 2, 2021. While the potential future charges could be material in a particular quarter or annual period, based on information currently known by us, we do not believe any such charges are likely to have a material adverse effect on our consolidated results of operations or financial condition.

Other Contingencies

We have provided certain indemnifications in connection with divestitures, contracts and other transactions. Certain indemnifications have finite expiration dates. Liabilities recognized based on known exposures related to such matters were not material at May 2, 2021.

16. Supplemental Financial Statement Data

Balance Sheets	**May 2, 2021**	August 2, 2020
Inventories		
Raw materials, containers and supplies	**$ 318**	$ 297
Finished products	**542**	574
	$ 860	$ 871

Statements of Earnings	**Three Months Ended**		**Nine Months Ended**	
	May 2, 2021	**April 26, 2020**	**May 2, 2021**	**April 26, 2020**
Other expenses / (income)				
Amortization of intangible assets	**$ 10**	$ 11	**$ 31**	$ 33
Net periodic benefit income other than the service cost	**(22)**	(22)	**(63)**	(68)
Pension settlement charges (gains)	**(4)**	54	**(38)**	43
Investment losses	**—**	45	**—**	49
Loss on sale of business[1]	**—**	—	**—**	64
Transition services fees	**(8)**	(3)	**(20)**	(5)
Other	**1**	(4)	**4**	(1)
	$ (23)	$ 81	**$ (86)**	$ 115

[1] See Note 3 for additional information.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

OVERVIEW

This Management's Discussion and Analysis of Financial Condition and Results of Operations is provided as a supplement to, and should be read in conjunction with, the Consolidated Financial Statements and the Notes to the Consolidated Financial Statements in "Part I - Item 1. Financial Statements," and our Form 10-K for the year ended August 2, 2020, including but not limited to "Part I - Item 1A. Risk Factors" and "Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

Executive Summary

Unless otherwise stated, the terms "we," "us," "our" and the "company" refer to Campbell Soup Company and its consolidated subsidiaries.

We are a manufacturer and marketer of high-quality, branded food and beverage products. We operate in a highly competitive industry and experience competition in all of our categories.

We completed the sale of our Kelsen business on September 23, 2019. On December 23, 2019, we completed the sale of our Arnott’s business and certain other international operations, including the simple meals and shelf-stable beverages businesses in Australia and Asia Pacific (the Arnott’s and other international operations). We have reflected the results of operations of the Kelsen business and the Arnott’s and other international operations (collectively referred to as Campbell International) as discontinued operations in the Consolidated Statements of Earnings. These businesses were historically included in the Snacks reportable segment. In addition, on October 11, 2019, we completed the sale of our European chips business. The results of the European chips business through the date of sale were reflected in continuing operations within the Snacks reportable segment. On May 3, 2021, subsequent to the end of the quarter, we completed the sale of our Plum baby food and snacks business, which is included in our Meals & Beverages reportable segment. See Notes 3 and 6 to the Consolidated Financial Statements for additional information on these divestitures and reportable segments.

Business Trends

We have been actively monitoring the impact of COVID-19 on all aspects of our business. During the third quarter of 2021, we experienced a decrease in sales in both our Meals & Beverages and Snacks segments, primarily as a result of lapping the initial COVID-19-related elevated demand for our retail products during the year-ago period. We anticipate that our fourth quarter 2021 sales will be lower than fourth quarter 2020 as we continue to lap the COVID-related elevated demand of the year-ago period, continue to transition out of the COVID-19 environment and lap the 53rd week in the year-ago quarter. In the quarter, we experienced margin pressure from: (i) higher than expected inflation, including escalating transportation costs, (ii) increased supply chain costs, reduced operating leverage and unfavorable mix as we transition from the unprecedented demand for our products resulting from COVID-19 in the year-ago period, and (iii) to a lesser extent, execution issues as we continue to advance our transformation agenda, primarily in Snacks.

Going forward, we expect to see inflation continue to be a headwind but expect it to be mitigated in 2022 by stronger productivity and price increases set to take effect in the first quarter of 2022. However, we continue to monitor the dynamic nature of the current economic environment. We also expect a decrease in costs related to COVID-19, a decrease in supply chain costs as we continue to recover our supply and service levels, and expect our execution issues will abate. Although we expect the impacts of COVID-19 on our business to moderate in the fourth quarter and beyond there still remains uncertainty about the duration and extent of the impact from COVID-19, including the spread of COVID-19 variants. We will continue to evaluate the extent to which COVID-19 will impact our business, consolidated results of operations and financial condition.

In February 2021, there was significant winter weather across most of the United States affecting both inbound and outbound supply and distribution. We experienced operational disruptions at several of our manufacturing plants and distribution centers in areas of the country that were adversely impacted. While we believe these storms resulted in incremental transportation costs during the later part of February and early part of March 2021, the weather did not have a material impact on our results of operations for the third quarter.

Summary of Results

This Summary of Results provides significant highlights from the discussion and analysis that follows.

- Net sales decreased 11% in 2021 to $1,984 million, primarily as a result of lapping increased demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter.
- Gross profit, as a percent of sales, decreased to 31.7% in 2021 from 34.5% in the prior-year quarter. The decrease was primarily due to higher cost inflation and other supply chain costs and unfavorable product mix, partially offset by the benefits from supply chain productivity improvements. In the current quarter, gross profit performance was impacted by pronounced

inflation, the transition out of the COVID-19 environment and execution issues as we continue to advance our transformation agenda, primarily within Snacks.

- Earnings from continuing operations per share were $.54 in 2021, compared to $.55 a year ago. The current quarter and prior-year quarter included expenses of $.03 and $.29 per share, respectively, from items impacting comparability as discussed below.

Net Earnings attributable to Campbell Soup Company

The following items impacted the comparability of net earnings and net earnings per share:

Continuing Operations

- We implemented several cost savings initiatives in recent years. In the third quarter of 2021, we recorded a pre-tax restructuring charge of $2 million and implementation costs and other related costs of $11 million in Administrative expenses and $2 million in Cost of products sold (aggregate impact of $11 million after tax, or $.04 per share) related to these initiatives. Year-to-date in 2021, we recorded a pre-tax restructuring charge of $21 million and implementation costs and other related costs of $21 million in Administrative expenses and $1 million in Cost of products sold (aggregate impact of $32 million after tax, or $.10 per share) related to these initiatives. In the third quarter of 2020, we recorded implementation costs and other related costs of $10 million in Administrative expenses and $4 million in Cost of products sold (aggregate impact of $11 million after tax, or $.04 per share) related to these initiatives. Year-to-date in 2020, we recorded a pre-tax restructuring charge of $10 million and implementation costs and other related costs of $31 million in Administrative expenses, $6 million in Cost of products sold, $2 million in Marketing and selling expenses, and $1 million in Research and development expenses (aggregate impact of $38 million after tax, or $.13 per share) related to these initiatives. See Note 7 to the Consolidated Financial Statements and "Restructuring Charges and Cost Savings Initiatives" for additional information;
- In the third quarter of 2021, we recognized pre-tax pension settlement gains in Other expenses / (income) of $4 million ($3 million after tax, or $.01 per share). Year-to-date in 2021, we recognized pre-tax pension settlement gains in Other expenses / (income) of $38 million ($29 million after tax, or $.10 per share). In the third quarter of 2020, we recognized pre-tax pension settlement charges in Other expenses / (income) of $54 million ($41 million after tax, or $.13 per share). Year-to-date in 2020, we recognized pre-tax pension settlement charges in Other expenses / (income) of $43 million ($33 million after tax, or $.11 per share). The settlements were associated with U.S. and Canadian pension plans and resulted from the level of lump sum distributions from the plans' assets;
- Year-to-date in 2021, we recorded a $19 million ($.06 per share) deferred tax charge in connection with a legal entity reorganization as part of the continued integration of Snyder's-Lance, Inc. (Snyder's-Lance);
- In the third quarter of 2020, we recorded a loss in Other expenses / (income) of $45 million ($35 million after tax, or $.12 per share) associated with the pending sale of our limited partnership in Acre Venture Partners, L.P. (Acre);
- Year-to-date in 2020, we recorded a loss in Other expenses / (income) of $64 million ($41 million after tax, or $.13 per share) on the sale of our European chips business; and
- Year-to-date in 2020, we recorded a loss in Interest expense of $75 million ($57 million after tax, or $.19 per share) on the extinguishment of debt.

Discontinued Operations

- Year-to-date in 2020, we recognized pre-tax net gains of $1,039 million ($1,000 million after tax, or $3.29 per share) associated with the sale of Campbell International.

The items impacting comparability are summarized below:

	Three Months Ended			
	May 2, 2021		April 26, 2020	
(Millions, except per share amounts)	**Earnings Impact**	**EPS Impact**	**Earnings Impact**	**EPS Impact**
Earnings from continuing operations attributable to Campbell Soup Company	**$ 166**	**$ .54**	$ 166	$ .55
Earnings (loss) from discontinued operations	**$ (6)**	**$ (.02)**	$ 2	$ .01
Net earnings attributable to Campbell Soup Company[1]	**$ 160**	**$ .52**	$ 168	$ .55
Continuing operations:				
Restructuring charges, implementation costs and other related costs	**$ (11)**	**$ (.04)**	$ (11)	$ (.04)
Pension settlement gains (charges)	**3**	**.01**	(41)	(.13)
Investment losses	**—**	**—**	(35)	(.12)
Impact of items on Earnings from continuing operations	**$ (8)**	**$ (.03)**	$ (87)	$ (.29)

	Nine Months Ended			
	May 2, 2021		April 26, 2020	
(Millions, except per share amounts)	Earnings Impact	EPS Impact	Earnings Impact	EPS Impact
Earnings from continuing operations attributable to Campbell Soup Company	**$ 720**	**$ 2.36**	$ 506	$ 1.66
Earnings (loss) from discontinued operations	**$ (6)**	**$ (.02)**	$ 1,036	$ 3.41
Net earnings attributable to Campbell Soup Company	**$ 714**	**$ 2.34**	$ 1,542	$ 5.07
Continuing operations:				
Restructuring charges, implementation costs and other related costs	**$ (32)**	**$ (.10)**	$ (38)	$ (.13)
Pension settlement gains (charges)	**29**	**.10**	(33)	(.11)
Deferred tax charge	**(19)**	**(.06)**	—	—
Investment losses	**—**	**—**	(35)	(.12)
Charges associated with divestiture	**—**	**—**	(41)	(.13)
Loss on debt extinguishment	**—**	**—**	(57)	(.19)
Impact of items on Earnings from continuing operations[(1)]	**$ (22)**	**$ (.07)**	$ (204)	$ (.67)
Discontinued operations:				
Gains associated with divestitures	**$ —**	**$ —**	$ 1,000	$ 3.29
Impact of items on Earnings from discontinued operations	**$ —**	**$ —**	$ 1,000	$ 3.29

(1) Sum of the individual amounts may not add due to rounding.

Earnings from continuing operations were $166 million ($.54 per share) in the current quarter, compared to $166 million ($.55 per share) in the year-ago quarter. After adjusting for items impacting comparability, earnings from continuing operations decreased reflecting sales volume declines and lower gross profit performance, partially offset by lower marketing and selling expenses.

Earnings from continuing operations were $720 million ($2.36 per share) in the nine-month period this year, compared to $506 million ($1.66 per share) in the year-ago period. After adjusting for items impacting comparability, earnings from continuing operations increased reflecting lower interest expense, lower selling expenses, higher other income and sales volume gains, partially offset by lower gross profit performance and increased administrative expenses.

See "Discontinued Operations" for additional information.

THIRD-QUARTER DISCUSSION AND ANALYSIS

Sales

An analysis of net sales by reportable segment follows:

	Three Months Ended		
(Millions)	May 2, 2021	April 26, 2020	% Change
Meals & Beverages	**$ 1,039**	$ 1,210	(14)
Snacks	**945**	1,028	(8)
	$ 1,984	$ 2,238	(11)

An analysis of percent change of net sales by reportable segment follows:

	Meals & Beverages[1]	Snacks	Total[1]
Volume and mix	(15)%	(9)%	(12)%
Price and sales allowances	(1)	1	—
Currency	1	—	—
	(14)%	(8)%	(11)%

[1] Sum of the individual amounts does not add due to rounding.

In Meals & Beverages, sales decreased 14% primarily due to declines across U.S. retail products, including in U.S. soup and *Prego* pasta sauces, as well as declines in foodservice and Canada. Volume decreased in U.S. retail driven by lapping increased demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter. Sales of U.S. soup decreased 21% due to volume declines in condensed soups, ready-to-serve soups and broth.

In Snacks, sales decreased 8% due to volume declines within our salty snacks portfolio, including *Pop Secret* popcorn, *Cape Cod* potato chips and *Snyder's of Hanover* pretzels, as well as in *Lance* sandwich crackers, partner brands and fresh bakery. Volume declines were partially driven by lapping increased demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter. Partner brands consist of third-party branded products that we sell.

Gross Profit

Gross profit, defined as Net sales less Cost of products sold, decreased by $144 million in 2021 from 2020. As a percent of sales, gross profit was 31.7% in 2021 and 34.5% in 2020.

The 2.8 percentage-point decrease in gross profit percentage was due to the following factors:

	Margin Impact
Cost inflation, supply chain costs and other factors[1]	**(3.6)**
Mix	**(1.1)**
Price and sales allowances	**0.1**
Lower restructuring-related costs	**0.1**
Lower level of promotional spending	**0.2**
Productivity improvements	**1.5**
	(2.8)%

[1] Includes an estimated positive margin impact of a 2.5 benefit from the change in mark-to-market adjustments on outstanding commodity hedges and 0.6 from the benefit of cost savings initiatives, which were more than offset by cost inflation and other factors, including a 1.1 impact from reduced operating leverage.

Marketing and Selling Expenses

Marketing and selling expenses as a percent of sales were 10.2% in 2021 compared to 10.7% in 2020. Marketing and selling expenses decreased 15% in 2021 from 2020. The decrease was primarily due to lower advertising and consumer promotion expense (approximately 7 percentage points); lower incentive compensation (approximately 4 percentage points); lower selling expenses (approximately 3 percentage points); and increased benefits from cost savings initiatives (approximately 2 percentage points). The decrease in advertising and consumer promotion expense was primarily due to a reduction of spend in Meals & Beverages, primarily U.S. soup.

Administrative Expenses

Administrative expenses as a percent of sales were 7.7% in 2021 compared to 6.9% in 2020. Administrative expenses decreased 1% in 2021 from 2020. The decrease was primarily due to lower incentive compensation (approximately 12 percentage points), partially offset by higher benefit-related costs (approximately 11 percentage points).

Other Expenses / (Income)

Other income was $23 million in 2021 compared to other expenses of $81 million in 2020. Other income in 2021 included pension settlement gains of $4 million. Other expenses in 2020 included pension settlement charges of $54 million and a loss of $45 million on Acre.

Operating Earnings

Segment operating earnings decreased 33% in 2021 from 2020.

An analysis of operating earnings by segment follows:

(Millions)	Three Months Ended May 2, 2021	Three Months Ended April 26, 2020	% Change
Meals & Beverages	**$ 179**	$ 275	(35)
Snacks	**109**	154	(29)
	288	429	(33)
Corporate	**(14)**	(156)	
Restructuring charges[1]	**(2)**	—	
Earnings before interest and taxes	**$ 272**	$ 273	

[1] See Note 7 to the Consolidated Financial Statements for additional information on restructuring charges.

Operating earnings from Meals & Beverages decreased 35%. The decrease was primarily due to sales volume declines and lower gross profit performance, partially offset by lower marketing and selling expenses. Gross profit performance was impacted by higher cost inflation and other supply chain costs, reduced operating leverage and unfavorable mix, partially offset by the benefits of supply chain productivity improvements.

Operating earnings from Snacks decreased 29%. The decrease was primarily due to lower gross profit performance and sales volume declines, partially offset by lower marketing and selling expenses and lower administrative expenses. Gross profit performance was impacted by higher cost inflation and other supply chain costs, reduced operating leverage and unfavorable product mix, partially offset by the benefits of supply chain productivity improvements.

Corporate in 2021 included costs of $13 million related to costs savings initiatives and pension settlement gains of $4 million. Corporate in 2020 included pension settlement charges of $54 million, a loss of $45 million on Acre and costs of $14 million related to cost savings initiatives. Excluding these amounts, the remaining decrease in expenses was primarily due to mark-to-market gains on outstanding commodity hedges in the current period compared to losses in the prior year, partially offset by higher administrative expenses.

Interest Expense

Interest expense decreased to $53 million in 2021 from $55 million in 2020, primarily due to lower levels of debt.

Taxes on Earnings

The effective tax rate was 24.2% in 2021 and 23.9% in 2020. The increase in the effective tax rate was primarily due to state tax law changes.

NINE-MONTH DISCUSSION AND ANALYSIS

Sales

An analysis of net sales by reportable segment follows:

(Millions)	Nine Months Ended May 2, 2021	Nine Months Ended April 26, 2020	% Change
Meals & Beverages	**$ 3,681**	$ 3,628	1
Snacks	**2,922**	2,955	(1)
	$ 6,603	$ 6,583	—

An analysis of percent change of net sales by reportable segment follows:

	Meals & Beverages[2]	Snacks[2]	Total
Volume and mix	—%	(2)%	(1)%
Price and sales allowances	(1)	—	—
(Increased) /decreased promotional spending[1]	1	1	1
Divestiture	—	(1)	—
	1%	(1)%	—%

[1] Represents revenue reductions from trade promotion and consumer coupon redemption programs.
[2] Sum of the individual amounts does not add due to rounding.

In Meals & Beverages, sales increased 1% primarily due to gains in U.S. soup and *V8* beverages, partially offset by declines in foodservice. Volume increased in U.S. retail driven by COVID-19, with increased demand of food purchases for at-home consumption in the first half of 2021. Foodservice sales were negatively impacted by shifts in consumer behavior and continued COVID-19 related restrictions. Sales of U.S. soup increased 4% due to volume gains in condensed soups, broth and ready-to-serve soups and moderated promotional spending.

In Snacks, sales decreased 1% reflecting a 1-point negative impact from the sale of the European chips business. Excluding the divestiture, sales were comparable driven by volume declines mostly offset by lower levels of promotional spending. Declines in *Lance* sandwich crackers and partner brands were mostly offset by gains in salty snacks, including *Late July* snacks and *Kettle Brand* potato chips, and fresh bakery products.

Gross Profit

Gross profit, defined as Net sales less Cost of products sold, decreased by $28 million in 2021 from 2020. As a percent of sales, gross profit was 33.7% in 2021 and 34.2% in 2020.

The 0.5 percentage-point decrease in gross profit percentage was due to the following factors:

	Margin Impact
Cost inflation, supply chain costs and other factors[1]	**(2.6)**
Mix	**(0.2)**
Price and sales allowances	**(0.2)**
Lower restructuring-related costs	**0.1**
Lower level of promotional spending	**0.9**
Productivity improvements	**1.5**
	(0.5)%

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[1] Includes an estimated positive margin impact of a 0.9 benefit from the change in mark-to-market adjustments on outstanding commodity hedges and 0.4 from the benefit of cost savings initiatives, which were more than offset by cost inflation and other factors, including the impact of COVID-19.

Marketing and Selling Expenses

Marketing and selling expenses as a percent of sales were 9.7% in 2021 compared to 10.4% in 2020. Marketing and selling expenses decreased 6% in 2021 from 2020. The decrease was primarily due to increased benefits from cost savings initiatives (approximately 3 percentage points); lower incentive compensation (approximately 2 percentage points); lower selling expenses (approximately 1 percentage point) and lower costs related to marketing overhead (approximately 1 percentage point), partially offset by higher advertising and consumer promotion expense (approximately 1 percentage point). The increase in advertising and consumer promotion expense was primarily in Snacks.

Administrative Expenses

Administrative expenses as a percent of sales were 6.8% in 2021 compared to 6.6% in 2020. Administrative expenses increased 4% in 2021 from 2020. The increase was primarily due to higher benefit-related costs (approximately 8 percentage points) and higher general administrative costs and inflation (approximately 4 percentage points), partially offset by lower incentive compensation (approximately 4 percentage points); increased benefits from cost savings initiatives (approximately 2 percentage points) and lower costs associated with cost savings initiatives (approximately 2 percentage points).

Other Expenses / (Income)

Other income was $86 million in 2021 compared to other expenses of $115 million in 2020. Other expenses / (income) included pension settlement gains of $38 million in 2021 and pension settlement charges of $43 million in 2020. Other expenses in 2020 also included a loss of $64 million on the sale of the European chips business and a loss of $45 million on Acre. Excluding these amounts, the remaining increase in other income was primarily due to an increase in transition services fees this year, partially offset by lower net periodic benefit income.

Operating Earnings

Segment operating earnings decreased 4% in 2021 from 2020.

An analysis of operating earnings by segment follows:

	Nine Months Ended		
(Millions)	**May 2, 2021**	**April 26, 2020**	**% Change**
Meals & Beverages	**$ 770**	$ 799	(4)
Snacks	**392**	415	(6)
	1,162	1,214	(4)
Corporate	**(7)**	(264)	
Restructuring charges[(1)]	**(21)**	(10)	
Earnings before interest and taxes	**$ 1,134**	$ 940	

(1) See Note 7 to the Consolidated Financial Statements for additional information on restructuring charges.

Operating earnings from Meals & Beverages decreased 4%. The decrease was primarily due to lower gross profit performance, partially offset by sales volume gains. Gross profit performance was impacted by higher cost inflation and other supply chain costs, as well as higher sales allowances, partially offset by the benefits of supply chain productivity improvements and lower levels of promotional activity.

Operating earnings from Snacks decreased 6%. The decrease was primarily due to lower gross profit performance and sales volume declines, partially offset by lower selling expenses. Gross profit performance was impacted by higher cost inflation and other supply chain costs, including COVID-19 related costs, and unfavorable product mix, partially offset by the benefits of supply chain productivity improvements as well as lower levels of promotional spending.

Corporate in 2021 included costs of $22 million related to costs savings initiatives and pension settlement gains of $38 million. Corporate in 2020 included a loss of $64 million from the sale of the European chips business, a loss of $45 million on Acre, pension settlement charges of $43 million and costs of $40 million related to cost savings initiatives. Excluding these amounts, the remaining decrease in expenses was primarily due to mark-to-market gains on outstanding commodity hedges in the current period compared to losses in the prior year.

Interest Expense

Interest expense decreased to $163 million in 2021 from $284 million in 2020. The decrease in interest expense was due to a loss on extinguishment of debt of $75 million in the prior year and lower levels of debt.

Taxes on Earnings

The effective tax rate was 25.9% in 2021 and 23.2% in 2020. The increase in the effective tax rate was primarily due to a $19 million deferred tax charge recognized in the second quarter of 2021 in connection with a legal entity reorganization as part of the continued integration of Snyder's-Lance and a $23 million tax benefit on the $64 million loss on the sale of the European chips business in the prior year.

Restructuring Charges and Cost Savings Initiatives

Multi-year Cost Savings Initiatives and Snyder's-Lance Cost Transformation Program and Integration

Beginning in fiscal 2015, we implemented initiatives to reduce costs and to streamline our organizational structure.

In recent years, we expanded these initiatives by further optimizing our supply chain and manufacturing networks, including closing our manufacturing facility in Toronto, Ontario, as well as our information technology infrastructure.

On March 26, 2018, we completed the acquisition of Snyder's-Lance. Prior to the acquisition, Snyder's-Lance launched a cost transformation program following a comprehensive review of its operations with the goal of significantly improving its financial performance. We continue to implement this program. In addition, we have identified opportunities for additional cost synergies as we integrate Snyder's-Lance.

Cost estimates, as well as timing for certain activities, are continuing to be developed.

A summary of the pre-tax charges recorded in Earnings from continuing operations related to these initiatives is as follows:

(Millions, except per share amounts)	Three Months Ended May 2, 2021	Three Months Ended April 26, 2020	Nine Months Ended May 2, 2021	Nine Months Ended April 26, 2020	Recognized as of May 2, 2021
Restructuring charges	**$ 2**	$ —	**$ 21**	$ 10	$ 259
Administrative expenses	**11**	10	**21**	31	332
Cost of products sold	**2**	4	**1**	6	77
Marketing and selling expenses	**—**	—	**—**	2	12
Research and development expenses	**—**	—	**—**	1	4
Total pre-tax charges	**$ 15**	$ 14	**$ 43**	$ 50	$ 684
Aggregate after-tax impact	**$ 11**	$ 11	**$ 32**	$ 38	
Per share impact	**$ .04**	$ .04	**$ .10**	$ .13	

A summary of the pre-tax costs in Earnings from discontinued operations associated with these initiatives is as follows:

(Millions)	Recognized as of May 2, 2021
Severance pay and benefits	$ 19
Implementation costs and other related costs	4
Total	$ 23

As of April 28, 2019, we incurred substantially all of the costs for actions associated with discontinued operations. All of the costs were cash expenditures.

A summary of the pre-tax costs in Earnings from continuing operations associated with these initiatives is as follows:

(Millions)	Recognized as of May 2, 2021
Severance pay and benefits	$ 221
Asset impairment/accelerated depreciation	81
Implementation costs and other related costs	382
Total	$ 684

The total estimated pre-tax costs for actions associated with continuing operations that have been identified are approximately $700 million to $730 million. This estimate will be updated as costs for the expanded initiatives are developed.

We expect the costs for actions associated with continuing operations that have been identified to date to consist of the following: approximately $220 million to $225 million in severance pay and benefits; approximately $85 million in asset impairment and accelerated depreciation; and approximately $395 million to $420 million in implementation costs and other related costs. We expect these pre-tax costs to be associated with our segments as follows: Meals & Beverages - approximately 32%; Snacks - approximately 44%; and Corporate - approximately 24%.

Of the aggregate $700 million to $730 million of pre-tax costs associated with continuing operations identified to date, we expect approximately $600 million to $630 million will be cash expenditures. In addition, we expect to invest approximately $430 million in capital expenditures through 2022, of which we invested $382 million as of May 2, 2021. The capital expenditures primarily relate to a U.S. warehouse optimization project, improvement of quality, safety and cost structure across the Snyder’s-Lance manufacturing network, implementation of our existing SAP enterprise-resource planning system for Snyder's-Lance, transition of production of the Toronto manufacturing facility to our U.S. thermal plants, optimization of information technology infrastructure and applications and optimization of the Snyder’s-Lance warehouse and distribution network.

We expect to incur the costs for the actions associated with continuing operations that have been identified to date through 2022 and to fund the costs through cash flows from operations and short-term borrowings.

We expect the initiatives for actions associated with continuing operations that have been identified to date to generate pre-tax savings of approximately $800 million in 2021, and once all phases are implemented, to generate annual ongoing savings of

approximately $850 million by the end of 2022. In the nine-month period ended May 2, 2021, we generated an additional $55 million of pre-tax savings. The annual pre-tax savings associated with continuing operations generated were as follows:

	Year Ended					
(Millions)	August 2, 2020	July 28, 2019	July 29, 2018	July 30, 2017	July 31, 2016	August 2, 2015
Total pre-tax savings	$ 725	$ 560	$ 395	$ 325	$ 215	$ 85

The initiatives for actions associated with discontinued operations generated pre-tax savings of over $90 million in 2019 and $60 million in 2018.

Segment operating results do not include restructuring charges, implementation costs and other related costs because we evaluate segment performance excluding such charges. A summary of the pre-tax costs in Earnings from continuing operations associated with segments is as follows:

	May 2, 2021		
(Millions)	Three Months Ended	Nine Months Ended	Costs Incurred to Date
Meals & Beverages	$ 1	$ 2	$ 222
Snacks	13	39	290
Corporate	1	2	172
Total	$ 15	$ 43	$ 684

Discontinued Operations

We completed the sale of our Kelsen business on September 23, 2019, for $322 million. We also completed the Arnott's and other international operations on December 23, 2019, for $2,286 million. The purchase price was subject to certain post-closing adjustments, which resulted in $4 million of additional proceeds in the third quarter of 2020. Beginning in the fourth quarter of 2019, we have reflected the results of operations of the Kelsen business and the Arnott’s and other international operations, or Campbell International, as discontinued operations in the Consolidated Statements of Earnings for all periods presented. These businesses were historically included in the Snacks reportable segment.

Results of Campbell International in 2020 were as follows:

	April 26, 2020
(Millions)	Nine Months Ended
Net sales	$ 359
Earnings before taxes from operations	$ 53
Taxes on earnings from operations	17
Gain on sales of businesses / costs associated with selling the businesses	1,039
Tax expense on sales of businesses / costs associated with selling the businesses	39
Earnings from discontinued operations	$ 1,036

In the third quarter of 2021, we recognized a $6 million Loss from discontinued operations due to tax expense from return-to-provision adjustments related to the sales of the businesses.

LIQUIDITY AND CAPITAL RESOURCES

We expect foreseeable liquidity and capital resource requirements to be met through anticipated cash flows from operations; long-term borrowings; short-term borrowings, which may include commercial paper; credit facilities; and cash and cash equivalents. We believe that our sources of financing will be adequate to meet our future requirements.

We generated cash flows from operations of $881 million in 2021, compared to $1,125 million in 2020. The decline in 2021 was primarily due to changes in working capital, principally lower accrued liabilities and a significant increase in accounts payable in the prior year.

Current assets are less than current liabilities as a result of our level of current maturities of long-term debt and short-term borrowings and our focus to lower core working capital requirements. We had negative working capital of $112 million as of May 2, 2021, and $690 million as of August 2, 2020. Total debt maturing within one year was $204 million as of May 2, 2021, and $1,202 million as of August 2, 2020.

Capital expenditures were $190 million in 2021 and $220 million in 2020. The decline was due to capital expenditures associated with discontinued operations in 2020. Capital expenditures are expected to total approximately $300 million in 2021. Capital expenditures in the nine-months of 2021 included the implementation of our existing SAP enterprise-resource planning

system for Snyder's-Lance, chip capacity expansion projects, a *Milano* cookie capacity expansion project, and a *Goldfish* cracker capacity expansion project.

Pepperidge Farm and Snyder's-Lance have a direct-store-delivery distribution model that uses independent contractor distributors. In order to maintain and expand this model, we routinely purchase and sell routes. The purchase and sale proceeds of the routes are reflected in investing activities.

We completed the sale of our Kelsen business on September 23, 2019, for $322 million. On September 30, 2019, we repaid $399 million of our senior unsecured term loan facility using net proceeds from the Kelsen sale and the issuance of commercial paper. In addition, on October 11, 2019, we completed the sale of our European chips business for £63 million, or $77 million.

We completed the sale of the Arnott's and other international operations on December 23, 2019, for $2,286 million. The purchase price was subject to certain post-closing adjustments, which resulted in $4 million of additional proceeds in the third quarter of 2020. We used the net proceeds from the sale to reduce our debt through a series of actions. On December 31, 2019, we repaid the $100 million outstanding balance on our senior unsecured term loan facility. On January 22, 2020, we completed the redemption of all $500 million outstanding aggregate principal amount of our 4.25% Senior Notes due 2021. On January 24, 2020, we settled tender offers to purchase $1,200 million in aggregate principal amount of certain unsecured debt, comprising $329 million of 3.30% Senior Notes due 2021, $634 million of 3.65% Senior Notes due 2023, and $237 million of 3.80% Senior Notes due 2043. Except for the $237 million of 3.80% Senior Notes due 2043, the Senior Notes settled under the tender offer were issued in connection with our acquisition of Snyder's-Lance. The consideration for the redemption and the tender offers was $1,765 million, including $65 million of premium. We recognized a loss of $75 million (including $65 million of premium, fees and other costs paid with the tender offers and unamortized debt issuance costs), which was recorded in Interest expense in the Consolidated Statement of Earnings. In addition, we paid accrued and unpaid interest on the purchased notes through the dates of settlement. The net divestiture proceeds remaining after these debt reduction activities were used to reduce commercial paper borrowings.

Dividend payments were $327 million in 2021 and $320 million in 2020. The regular quarterly dividends paid on our capital stock were $.35 per share in each the first and second quarter of 2021 and in each quarter of 2020. The regular quarterly dividends paid on our capital stock were $.37 per share in the third quarter of 2021. On March 4, 2021, the Board of Directors declared a regular quarterly dividend of $.37 per share payable on May 3, 2021 to shareholders of record at the close of business on April 8, 2021. On May 25, 2021, the Board of Directors declared a regular quarterly dividend of $.37 per share payable on August 2, 2021 to shareholders of record at the close of business on July 14, 2021.

We suspended our share repurchases as of the second quarter of 2018. In June 2021, the Board authorized a new anti-dilutive share repurchase program of up to $250 million (June 2021 program) to offset the impact of dilution from shares issued under our stock compensation programs. The June 2021 program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the anti-dilutive program may be made in open-market or privately negotiated transactions. See Note 13 to the Consolidated Financial Statements for additional information.

On April 24, 2020, we issued senior unsecured notes in an aggregate principal amount of $1,000 million, consisting of $500 million aggregate principal amount of notes bearing interest at a fixed rate of 2.375% per annum, due April 24, 2030, and $500 million aggregate principal amount of notes bearing interest at a fixed rate of 3.125% per annum, due April 24, 2050. On May 1, 2020, we used $300 million of the net proceeds to repay $300 million of borrowings outstanding under our revolving credit facility.

In March 2021, we repaid the 3.30% $321 million notes and floating rate $400 million notes. The repayments were funded with available cash. In May 2021, after the end of the quarter, we repaid our 8.875% $200 million notes.

In August 2019, we repaid and terminated the AUD $335 million, or $227 million, balance outstanding under our single-draw syndicated facility. The repayment was funded through the issuance of commercial paper.

As of May 2, 2021, we had $204 million of short-term borrowings due within one year, none of which was comprised of commercial paper borrowings. As of May 2, 2021, we issued $36 million of standby letters of credit. On November 2, 2020, we entered into a committed revolving credit facility totaling $1,850 million that matures on November 2, 2023. The facility remained unused at May 2, 2021, except for $1 million of standby letters of credit that we issued under it. The facility contains customary covenants, including a financial covenant with respect to a minimum consolidated interest coverage ratio of consolidated adjusted EBITDA to consolidated interest expense (as each is defined in the credit facility) of not less than 3.25:1.00, measured quarterly, and customary events of default for credit facilities of this type. Loans under this facility will bear interest at the rates specified in the facility, which vary based on the type of loan and certain other customary conditions. The facility supports our commercial paper program and other general corporate purposes. We expect to continue to access the commercial paper markets, bank credit lines and utilize cash flows from operations to support our short-term liquidity requirements.

We are in compliance with the covenants contained in our credit facilities and debt securities.

In September 2020, we filed a registration statement with the Securities and Exchange Commission that registered an indeterminate amount of debt securities. Under the registration statement, we may issue debt securities from time to time, depending on market conditions.

SIGNIFICANT ACCOUNTING ESTIMATES

We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. Our significant accounting policies are described in Note 1 to the Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended August 2, 2020 (2020 Annual Report on Form 10-K). The accounting policies we used in preparing these financial statements are substantially consistent with those we applied in our 2020 Annual Report on Form 10-K. Our significant accounting estimates are described in Management's Discussion and Analysis included in the 2020 Annual Report on Form 10-K.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2 to the Consolidated Financial Statements for information on recent accounting pronouncements.

FORWARD LOOKING STATEMENTS

This Report contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current expectations regarding our future results of operations, economic performance, financial condition and achievements. These forward-looking statements can be identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "pursue," "strategy," "target," "will" and similar expressions. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts, and may reflect anticipated cost savings or implementation of our strategic plan. These statements reflect our current plans and expectations and are based on information currently available to us. They rely on several assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

We wish to caution the reader that the following important factors and those important factors described in our other Securities and Exchange Commission filings, or in our 2020 Annual Report on Form 10-K, could affect our actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, us:

- impacts of, and associated responses to the COVID-19 pandemic on our business, suppliers, customers, consumers and employees;
- our ability to execute on and realize the expected benefits from our strategy, including growing sales in snacks and maintaining our market share position in soup;
- the impact of strong competitive responses to our efforts to leverage brand power with product innovation, promotional programs and new advertising;
- the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies;
- our ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions;
- disruptions in or inefficiencies to our supply chain and/or operations including the impacts of the COVID-19 pandemic, as well as fluctuations in the supply of and inflation in energy and raw and packaging materials cost;
- our ability to manage changes to our organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes;
- changes in consumer demand for our products and favorable perception of our brands;
- changing inventory management practices by certain of our key customers;
- a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of our key customers maintain significance to our business;
- product quality and safety issues, including recalls and product liabilities;
- the possible disruption to the independent contractor distribution models used by certain of our businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification;
- the uncertainties of litigation and regulatory actions against us;

- the costs, disruption and diversion of management's attention associated with activist investors;
- a material failure in or breach of our or our vendors' information technology systems;
- impairment to goodwill or other intangible assets;
- our ability to protect our intellectual property rights;
- increased liabilities and costs related to our defined benefit pension plans;
- our ability to attract and retain key talent;
- negative changes and volatility in financial and credit markets, deteriorating economic conditions and other external factors, including changes in laws and regulations; and
- unforeseen business disruptions in one or more of our markets due to political instability, civil disobedience, terrorism, armed hostilities, extreme weather conditions, natural disasters, pandemics or other calamities.

This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact our outlook. We disclaim any obligation or intent to update forward-looking statements made by us in order to reflect new information, events or circumstances after the date they are made.

Item 3. *Quantitative and Qualitative Disclosure About Market Risk*

For information regarding our exposure to certain market risk, see Item 7A, Quantitative and Qualitative Disclosure About Market Risk, in the 2020 Annual Report on Form 10-K. There have been no significant changes in our portfolio of financial instruments or market risk exposures from the 2020 year-end.

Item 4. *Controls and Procedures*

a. <u>Evaluation of Disclosure Controls and Procedure</u>

We, under the supervision and with the participation of our management, including the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of May 2, 2021 (Evaluation Date). Based on such evaluation, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer have concluded that, as of the Evaluation Date, our disclosure controls and procedures are effective.

b. <u>Changes in Internal Control</u>

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) that materially affected, or are likely to materially affect, such internal control over financial reporting during the quarter ended May 2, 2021.

PART II - OTHER INFORMATION

Item 1. *Legal Proceedings*

Information regarding reportable legal proceedings is contained in Note 15 to the Consolidated Financial Statements and incorporated herein by reference.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

None.

Item 6. *Exhibits*

The Index to Exhibits, which immediately precedes the signature page, is incorporated by reference into this Report.

INDEX TO EXHIBITS

31.1	Certification of Mark A. Clouse pursuant to Rule 13a-14(a).
31.2	Certification of Mick J. Beekhuizen pursuant to Rule 13a-14(a).
32.1	Certification of Mark A. Clouse pursuant to 18 U.S.C. Section 1350.
32.2	Certification of Mick J. Beekhuizen pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document - the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Extension Schema Document.
101.CAL	Inline XBRL Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Extension Definition Linkbase Document.
101.LAB	Inline XBRL Extension Label Linkbase Document.
101.PRE	Inline XBRL Extension Presentation Linkbase Document.
104	The cover page from this Quarterly Report on Form 10-Q, formatted in Inline XBRL (included in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

June 9, 2021

CAMPBELL SOUP COMPANY

By: /s/ Mick J. Beekhuizen
Mick J. Beekhuizen
Executive Vice President and Chief Financial Officer

By: /s/ Stanley Polomski
Stanley Polomski
Vice President and Controller

EXHIBIT B

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "PLUM, PBC" IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SEVENTEENTH DAY OF OCTOBER, A.D. 2024.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "PLUM, PBC" WAS INCORPORATED ON THE EIGHTEENTH DAY OF DECEMBER, A.D. 2008.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

Jeffrey W. Bullock, Secretary of State

4635949 8300

SR# 20243970049

Authentication: 204651943

Date: 10-17-24

You may verify this certificate online at corp.delaware.gov/authver.shtml

EXHIBIT C

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended	Commission File Number
July 28, 2013	1-3822

CAMPBELL SOUP COMPANY

New Jersey	21-0419870
State of Incorporation	*I.R.S. Employer Identification No.*

**1 Campbell Place
Camden, New Jersey 08103-1799
Principal Executive Offices
Telephone Number: (856) 342-4800**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Capital Stock, par value $.0375	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. R Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. ☐ Yes R No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. R Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). R Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. R

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes R No

As of January 27, 2013 (the last business day of the registrant's most recently completed second fiscal quarter), the aggregate market value of capital stock held by non-affiliates of the registrant was approximately $6,774,117,501. There were 313,503,523 shares of capital stock outstanding as of September 13, 2013.

Portions of the Registrant's Proxy Statement for the Annual Meeting of Shareholders to be held on November 20, 2013, are incorporated by reference into Part III.

TABLE OF CONTENTS

PART I

Item 1. ***Business***

The Company

Campbell Soup Company, together with its consolidated subsidiaries (Campbell or the company), is a manufacturer and marketer of high-quality, branded convenience food products. Campbell was organized as a business corporation under the laws of New Jersey on November 23, 1922; however, through predecessor organizations, it traces its heritage in the food business back to 1869. The company's principal executive offices are in Camden, New Jersey 08103-1799.

Background

On August 6, 2012, the company completed the acquisition of BF Bolthouse Holdco LLC (Bolthouse Farms) for approximately $1.55 billion in cash. Based in Bakersfield, California, Bolthouse Farms is a vertically integrated food and beverage company focused on developing, manufacturing and marketing fresh carrots and proprietary, high value-added healthy products.

On June 13, 2013, the company completed the acquisition of Plum PBC (formerly Plum Inc.) (Plum) for approximately $249 million, subject to customary purchase price adjustments. Based in Emeryville, California, Plum is a leading provider of premium, organic foods and snacks that serve the nutritional needs of babies, toddlers and children. The *Plum Organics* brand is the No. 4 brand of baby food in the U.S. and the No. 2 brand of organic baby food in the U.S. The acquisition provides the company with an attractive platform to extend its core categories of simple meals, snacks and beverages and enhances the company's access to a new generation of consumers. Since the Plum acquisition occurred on June 13, 2013, only the results of operations of Plum from June 13, 2013 through July 28, 2013 are included in this 2013 Annual Report on Form 10-K (this Report).

On August 8, 2013, the company completed the acquisition of Kelsen Group A/S (Kelsen) for approximately $325 million, subject to customary purchase price adjustments. Based in Nørre Snede, Denmark, Kelsen is a producer of quality baked snacks that are sold in 85 countries around the world. Its primary brands include *Kjeldsens* and *Royal Dansk*. Kelsen has established distribution networks in markets in Asia, the U.S., Europe, the Middle East, South America and Africa, and it is a market leader in the assortment segment of the sweet biscuits category in China and Hong Kong. The Kelsen acquisition provides the company with an immediate opportunity for growth in the large baked snacks category in China. Kelsen employs approximately 350 persons, and its two primary manufacturing facilities are company-owned and located in Nørre Snede and Ribe, Denmark. Since the Kelsen acquisition occurred subsequent to 2013, the results of Kelsen's operations are not included in this Report, and the discussion of the company's business and operations in this Report does not incorporate Kelsen's business and operations unless specifically stated otherwise.

On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meal business in Europe to CVC Capital Partners, a leading global private equity firm. CVC has made a firm offer to purchase the business. The proposed transaction includes the company's simple meal national brands, including *Liebig* and *Royco* in France, *Erasco* in Germany, *Blå Band* in Sweden and *Devos Lemmens* and *Royco* in Belgium. The proposal also includes the sale of four plants in Puurs, Belgium; Le Pontet, France; Lubeck, Germany; and Kristianstadt, Sweden. The proposed transaction does not include the export of Pepperidge Farm products throughout Europe, Campbell's products in the United Kingdom or Kelsen. The company has the option to cause the parties to execute a binding share purchase agreement. The proposed transaction is subject to clearance by the relevant European competition law authorities. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013. The business was historically included in the International Simple Meals and Beverages segment.

Reportable Segments

The company reports the results of operations in the following reportable segments: U.S. Simple Meals; Global Baking and Snacking; International Simple Meals and Beverages; U.S. Beverages; and Bolthouse and Foodservice. The company has 13 operating segments based on product type and geographic location and has aggregated the operating segments into the appropriate reportable segment based on similar economic characteristics; products; production processes; types or classes of customers; distribution methods; and regulatory environment. See also Note 7 to the Consolidated Financial Statements. The segments are discussed in greater detail below.

U.S. Simple Meals

The U.S. Simple Meals segment aggregates the following operating segments: U.S. Soup and U.S. Sauces. The U.S. Soup retail business includes the following products: *Campbell's* condensed and ready-to-serve soups; and *Swanson* broth and stocks. The U.S. Sauces retail business includes the following products: *Prego* pasta sauces; *Pace* Mexican sauces; *Campbell's* canned gravies, pasta, and beans; *Swanson* canned poultry; and as of June 13, 2013, *Plum Organics* foods and snacks.

Global Baking and Snacking

The Global Baking and Snacking segment aggregates the following operating segments: *Pepperidge Farm* cookies, crackers, bakery and frozen products in U.S. retail; and *Arnott's* biscuits in Australia and Asia Pacific.

International Simple Meals and Beverages

The International Simple Meals and Beverages segment aggregates the simple meals and beverages operating segments outside of the U.S., including the retail business in Canada and the businesses in Asia Pacific, Latin America and China. In Canada, the segment's operations include *Habitant* and *Campbell's* soups, *Prego* pasta sauces, *Pace* Mexican sauces, *V8* juices and beverages and certain Pepperidge Farm products. In Asia Pacific, the segment's operations include *Campbell's* soup and stock, *Kimball* sauces, *V8* juices and beverages, *Prego* pasta sauce and *Swanson* broths. As previously discussed, on August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meal brands in Europe. The European simple meal business was historically included in this segment. The results of operations for the European simple meal business are reflected as discontinued operations for the years presented in this Report, and the assets of the business have been reflected as assets held for sale as of July 28, 2013.

Bolthouse and Foodservice

Bolthouse and Foodservice comprises the Bolthouse Farms carrot products operating segment, including fresh carrots, juice concentrate and fiber; the Bolthouse Farms super-premium refrigerated beverages and refrigerated salad dressings operating segment; and the North America Foodservice operating segment. The North America Foodservice operating segment represents the distribution of products such as soup, specialty entrées, beverage products, other prepared foods and Pepperidge Farm products through various food service channels in the U.S. and Canada. None of these operating segments meets the criteria for aggregation nor the thresholds for separate disclosure.

Ingredients and Packaging

The ingredient and packaging materials required for the manufacture of the company's food products are purchased from various suppliers. These items are subject to fluctuations in price attributable to a number of factors, including changes in crop size, cattle cycles, product scarcity, demand for raw materials, energy costs, government-sponsored agricultural programs, import and export requirements and regional drought and other weather conditions (including the potential effects of climate change) during the growing and harvesting seasons. To help reduce some of this price volatility, the company uses a combination of purchase orders, short- and long-term contracts and various commodity risk management tools for most of its ingredients and packaging. Ingredient inventories are at a peak during the late fall and decline during the winter and spring. Since many ingredients of suitable quality are available in sufficient quantities only at certain seasons, the company makes commitments for the purchase of such ingredients during their respective seasons. At this time, the company does not anticipate any material restrictions on availability or shortages of ingredients or packaging that would have a significant impact on the company's businesses. For information on the impact of inflation on the company, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Customers

In most of the company's markets, sales and merchandising activities are conducted through the company's own sales force and its third-party broker and distributor partners. In the U.S., Canada and Latin America, the company's products are generally resold to consumers in retail food chains, mass discounters, mass merchandisers, club stores, convenience stores, drug stores, dollar stores and other retail, commercial and non-commercial establishments. In the Asia Pacific region, the company's products are generally resold to consumers through retail food chains, convenience stores and other retail, commercial and non-commercial establishments. The company makes shipments promptly after receipt and acceptance of orders.

The company's five largest customers accounted for approximately 36% of the company's consolidated net sales from continuing operations in 2013, and 37% in 2012 and 2011. The company's largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 19% of the company's consolidated net sales in 2013 and 2012 and 18% in 2011. All of the company's segments sold products to Wal-Mart Stores, Inc. or its affiliates. No other customer accounted for 10% or more of the company's consolidated net sales.

Trademarks and Technology

As of September 13, 2013, the company owned over 4,400 trademark registrations and applications in over 170 countries, including the registrations acquired in the Plum and Kelsen acquisitions and those associated with its European simple meal business.

The company believes its trademarks are of material importance to its business. Although the laws vary by jurisdiction, trademarks generally are valid as long as they are in use and/or their registrations are properly maintained and have not been found to have become generic. Trademark registrations generally can be renewed indefinitely as long as the trademarks are in use. The company believes that its principal brands, including *Campbell's, Pepperidge Farm, Goldfish, V8, Pace, Prego, Swanson, Arnott's* and *Bolthouse Farms,* as well as the *Plum* brand acquired in the Plum acquisition and the *Kjeldsens* and *Royal Dansk* brands

acquired in the Kelsen acquisition, are protected by trademark law in the major markets where they are used. In addition, some of the company's products are sold under brands that have been licensed from third parties.

Although the company owns a number of valuable patents, it does not regard any segment of its business as being dependent upon any single patent or group of related patents. In addition, the company owns copyrights, both registered and unregistered, and proprietary trade secrets, technology, know-how, processes, and other intellectual property rights that are not registered.

Competition

The company experiences worldwide competition in all of its principal products. This competition arises from numerous competitors of varying sizes across multiple food and beverage categories, and includes producers of generic and private label products, as well as other branded food and beverage manufacturers. All of these competitors vie for trade merchandising support and consumer dollars. The number of competitors cannot be reliably estimated. The principal areas of competition are brand recognition, taste, quality, price, advertising, promotion, convenience and service.

Working Capital

For information relating to the company's cash and working capital items, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Capital Expenditures

During 2013, the company's aggregate capital expenditures were $336 million. The company expects to spend approximately $350 million for capital projects in 2014. Major 2014 capital projects include a Pepperidge Farm cracker capacity expansion project, a U.S. beverage relocation and refurbishment project, the ongoing implementation of a series of related initiatives to simplify the soup-making process in North America (also known as the soup common platform initiative), and a flexible production line for Bolthouse Farms.

Research and Development

During the last three fiscal years, the company's expenditures on research and development activities relating to new products and the improvement and maintenance of existing products were $128 million in 2013, $116 million in 2012, and $120 million in 2011. The increase from 2012 to 2013 was primarily due to higher incentive compensation and benefit costs, the addition of Bolthouse Farms expenses and higher costs associated with product innovation in North America. The decrease from 2011 to 2012 was primarily due to cost savings initiatives and other factors, partially offset by higher costs associated with product innovation in North America and the Asia Pacific region and inflation.

Environmental Matters

The company has requirements for the operation and design of its facilities that meet or exceed applicable environmental rules and regulations. Of the company's $336 million in capital expenditures made during 2013, approximately $15 million was for compliance with environmental laws and regulations in the U.S. The company further estimates that approximately $14 million of the capital expenditures anticipated during 2014 will be for compliance with U.S. environmental laws and regulations. The company believes that continued compliance with existing environmental laws and regulations (both within the U.S. and elsewhere) will not have a material effect on capital expenditures, earnings or the competitive position of the company. In addition, the company continues to monitor pending environmental laws and regulations within the U.S. and elsewhere, including laws and regulations relating to climate change and greenhouse gas emissions. While the impact of these pending laws and regulations cannot be predicted with certainty, the company does not believe that compliance with these pending laws and regulations will have a material effect on capital expenditures, earnings or the competitive position of the company.

Seasonality

Demand for the company's products is somewhat seasonal, with the fall and winter months usually accounting for the highest sales volume due primarily to demand for the company's soup products. Demand for the company's sauce, beverage, baking and snacking products, however, is generally evenly distributed throughout the year.

Employees

On July 28, 2013, there were approximately 20,000 employees of the company. In addition, as of July 28, 2013, Campbell Swire, the company's joint venture in China, employed approximately 170 persons.

Financial Information

Financial information for the company's reportable segments and geographic areas is found in Note 7 to the Consolidated Financial Statements. For risks attendant to the company's foreign operations, see "Risk Factors."

Company Website

The company's primary corporate website can be found at www.campbellsoupcompany.com. The company makes available free of charge at this website (under the "Investor Center — Financial Information — SEC Filings" caption) all of its reports

(including amendments) filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, including its annual report on Form 10-K, its quarterly reports on Form 10-Q and its current reports on Form 8-K. These reports are made available on the website as soon as reasonably practicable after their filing with, or furnishing to, the Securities and Exchange Commission.

Item 1A. ***Risk Factors***

In addition to the factors discussed elsewhere in this Report, the following risks and uncertainties could materially adversely affect the company's business, financial condition and results of operations. Additional risks and uncertainties not presently known to the company or that the company currently deems immaterial also may impair the company's business operations and financial condition.

The company operates in a highly competitive industry

The company operates in the highly competitive food industry and experiences international competition in all of its principal products. The principal areas of competition are brand recognition, taste, quality, price, advertising, promotion, convenience and service. A number of the company's primary competitors have substantial financial, marketing and other resources. A strong competitive response from one or more of these competitors to the company's marketplace efforts, or a consumer shift towards private label offerings, could result in the company reducing pricing, increasing marketing or other expenditures, and/or losing market share.

The company's results are dependent on successful marketplace initiatives and acceptance by consumers of the company's products, including new or improved product and packaging introductions

The company's results are dependent on successful marketplace initiatives and acceptance by consumers of the company's products. The company's new or improved product and packaging introductions, along with its other marketplace initiatives, are designed to capitalize on customer or consumer trends. In order to remain successful, the company must anticipate and react to these trends and develop new or improved products or packaging to address them. While the company devotes significant resources to meeting this goal, the company may not be successful in developing new or improved products or packaging, or its new or improved products or packaging may not be accepted by customers or consumers.

The company's results may be adversely affected by the failure to execute acquisitions and divestitures successfully

The company's ability to meet its objectives with respect to the acquisition of new businesses or the divestiture of existing businesses may depend in part on its ability to identify suitable buyers and sellers, negotiate favorable financial terms and other contractual terms, and obtain all necessary regulatory approvals. Potential risks of acquisitions also include the inability to integrate acquired businesses efficiently into the company's existing operations, diversion of management's attention from other business concerns, potential loss of key employees and/or customers of acquired businesses, potential assumption of unknown liabilities, potential disputes with the sellers, potential impairment charges if purchase assumptions are not achieved or market conditions decline, and the risks inherent in entering markets or lines of business with which the company has limited or no prior experience. Acquisitions outside the U.S. may present unique challenges and increase the company's exposure to risks associated with foreign operations, including foreign currency risks and risks associated with local regulatory regimes. For divestitures, potential risks may also include the inability to separate divested businesses or business units from the company effectively and efficiently and to reduce or eliminate associated overhead costs. The company's business or financial results may be negatively affected if acquisitions or divestitures are not successfully implemented or completed.

Disruption to the company's supply chain could adversely affect its business

The company's ability to manufacture and/or sell its products may be impaired by damage or disruption to its manufacturing or distribution capabilities, or to the capabilities of its suppliers or contract manufacturers, as a result of adverse weather conditions (such as drought, temperature extremes or floods), natural disasters, fire, terrorism, pandemics, strikes or other events. Production of carrots by the company's Bolthouse Farms business may be also be adversely affected by water scarcity, crop disease and crop pests. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, may adversely affect the company's business or financial results, particularly in circumstances where a product is sourced from a single supplier or location. Disputes with significant suppliers or contract manufacturers, including disputes regarding pricing or performance, may also adversely affect the company's ability to manufacture and/or sell its products, as well as its business or financial results.

The company's non-U.S. operations pose additional risks to the company's business

In 2013, approximately 23% of the company's consolidated net sales from continuing operations were generated outside of the U.S. Sales outside the U.S. are expected to continue to represent a significant portion of consolidated net sales. The company's business or financial performance may be adversely affected due to the risks of doing business in markets outside of the U.S., including but not limited to the following:

- political instability;

- unfavorable changes in tariffs or export and import restrictions;
- nationalization of operations;
- failure to comply with anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act;
- the adverse impact of foreign tax treaties and policies;
- civil disobedience, armed hostilities and terrorist acts; and
- restrictions on the transfer of funds to and from countries outside of the United States, including potentially negative tax consequences.

In addition, the company holds assets and incurs liabilities, generates revenue, and pays expenses in a variety of currencies other than the U.S. dollar, primarily the Australian dollar and the Canadian dollar. The company's consolidated financial statements are presented in U.S. dollars, and the company must translate its assets, liabilities, sales and expenses into U.S. dollars for external reporting purposes. As a result, changes in the value of the U.S. dollar due to fluctuations in currency exchange rates or currency exchange controls may materially and negatively affect the value of these items in the company's consolidated financial statements, even if their value has not changed in their local currency.

The company faces risks related to recession, financial and credit market disruptions and other economic conditions

Customer and consumer demand for the company's products may be impacted by weak economic conditions, recession, equity market volatility or other negative economic factors in the U.S. or other nations. Similarly, disruptions in financial and/or credit markets may impact the company's ability to manage normal commercial relationships with its customers, suppliers and creditors. In addition, changes in tax or interest rates in the U.S. or other nations, whether due to recession, financial and credit market disruptions or other reasons, could impact the company.

Increased regulation could adversely affect the company's business or financial results

The manufacture and marketing of food products is extensively regulated. The primary areas of regulation include the processing, packaging, storage, distribution, advertising, labeling, quality and safety of the company's food products, as well as the health and safety of the company's employees and the protection of the environment. In the U.S., the company is subject to regulation by various government agencies, including the Food and Drug Administration, the U.S. Department of Agriculture, the Federal Trade Commission, the Occupational Safety and Health Administration and the Environmental Protection Agency, as well as various state and local agencies. The company is also regulated by similar agencies outside the U.S. and by voluntary organizations, such as the National Advertising Division and the Children's Food and Beverage Advertising Initiative of the Council of Better Business Bureaus. Changes in regulatory requirements, or evolving interpretations of existing regulatory requirements, may result in increased compliance cost, capital expenditures and other financial obligations that could adversely affect the company's business or financial results.

The company's results may be adversely impacted by increases in the price of raw and packaging materials

The raw and packaging materials used in the company's business include tomato paste, grains, beef, poultry, vegetables, steel, glass, paper and resin. Many of these materials are subject to price fluctuations from a number of factors, including product scarcity, demand for raw materials, commodity market speculation, energy costs, currency fluctuations, weather conditions (including the potential effects of climate change), import and export requirements and changes in government-sponsored agricultural programs. To the extent any of these factors result in an increase in raw and packaging material prices, the company may not be able to offset such increases through productivity or price increases or through its commodity hedging activity.

Price increases may not be sufficient to cover increased costs, or may result in declines in sales volume due to pricing elasticity in the marketplace

The company intends to pass along to customers some or all cost increases in raw and packaging materials and other inputs through increases in the selling prices of some of its products. Higher product prices may result in reductions in sales volume. To the extent the price increases are not sufficient to offset increased raw and packaging materials and other input costs, and/or if they result in significant decreases in sales volume, the company's business results and financial condition may be adversely affected.

The company may be adversely impacted by a changing customer landscape and the increased significance of some of its customers

In recent years, alternative retail grocery channels, such as dollar stores, drug stores and club stores, have increased their market share. This trend towards alternative channels is expected to continue in the future. In addition, consolidations in the traditional retail

grocery trade have produced large, sophisticated customers with increased buying power and negotiating strength who may seek lower prices or increased promotional programs funded by their suppliers. These customers may use more of their

shelf space for their private label products. If the company is unable to use its scale, marketing expertise, product innovation and category leadership positions to respond to these customer dynamics, the company's business or financial results could be negatively impacted. Also, during 2013, the company's five largest customers accounted for approximately 36% of the company's consolidated net sales, with the largest customer, Wal-Mart Stores, Inc. and its affiliates, accounting for approximately 19% of the company's consolidated net sales. The disruption of sales to any of these customers, or to any of the company's other large customers, for an extended period of time could adversely affect the company's business or financial results.

The company may be adversely impacted by increased liabilities and costs related to its defined benefit pension plans

The company sponsors a number of defined benefit pension plans for employees in the U.S. and various non-U.S. locations. The major defined benefit pension plans are funded with trust assets invested in a globally diversified portfolio of securities and other investments. Changes in regulatory requirements or the market value of plan assets, investment returns, interest rates and mortality rates may affect the funded status of the company's defined benefit pension plans and cause volatility in the net periodic benefit cost, future funding requirements of the plans and the funded status as recorded on the balance sheet. A significant increase in the company's obligations or future funding requirements could have a material adverse effect on the financial results of the company.

The company may be adversely impacted by inadequacies in, or security breaches of, its information technology systems

Each year the company engages in several billion dollars of transactions with its customers and vendors. Because the amount of dollars involved is so significant, the company's information technology resources (some of which are managed by third parties) must provide connections among its marketing, sales, manufacturing, logistics, customer service, and accounting functions. If the company does not allocate and effectively manage the resources necessary to build and sustain an appropriate technology infrastructure and to maintain the related computerized and manual control processes, the company's business or financial results could be negatively impacted. Furthermore, the company's information technology systems may be vulnerable to security breaches (including the theft of customer, consumer or other confidential data), cyber-based attacks or other system failures. If the company is unable to prevent such failures, the company's business or financial results could be negatively impacted.

The company may not properly execute, or realize anticipated cost savings or benefits from, its ongoing supply chain, information technology or other initiatives

The company's success is partly dependent upon properly executing, and realizing cost savings or other benefits from, its ongoing supply chain, information technology and other initiatives. These initiatives are primarily designed to make the company more efficient, which is necessary in the company's highly competitive industry. These initiatives are often complex, and a failure to implement them properly may, in addition to not meeting projected cost savings or benefits, result in an interruption to the company's sales, manufacturing, logistics, customer service or accounting functions.

If the company's food products become adulterated or are mislabeled, the company might need to recall those items, and may experience product liability claims if consumers are injured

The company may need to recall some of its products if they become adulterated or if they are mislabeled. The company may also be liable if the consumption of any of its products causes injury. A widespread product recall could result in significant losses due to the costs of a recall, the destruction of product inventory and lost sales due to the unavailability of product for a period of time. The company could also suffer losses from a significant product liability judgment against it. A significant product recall or product liability case could also result in adverse publicity, damage to the company's reputation and a loss of consumer confidence in the company's products. In addition, the company's results could be adversely affected if consumers lose confidence in the safety and quality of the company's products, ingredients or packaging, even in the absence of a recall or a product liability case.

The company's results may be negatively impacted if consumers do not maintain their favorable perception of its brands

The company has a number of iconic brands with significant value. Maintaining and continually enhancing the value of these brands is critical to the success of the company's business. Brand value is based in large part on consumer perceptions. Success in promoting and enhancing brand value depends in large part on the company's ability to provide high-quality products. Brand value could diminish significantly due to a number of factors, including consumer perception that the company has acted in an irresponsible manner, adverse publicity about the company's products and/or ingredients (whether or not valid), the company's failure to maintain the quality of its products, the failure of the company's products to deliver consistently positive consumer experiences, or the products becoming unavailable to consumers. The growing use of social and digital media by consumers increases the speed and extent that information and opinions can be shared. Negative posts or comments about the company, its brands or products on social or digital media could seriously damage the company's brands and reputation. If the company does not maintain the favorable perception of its brands, the company's results could be negatively impacted.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

The company's principal executive offices are company-owned and located in Camden, New Jersey. The following table sets forth the company's principal manufacturing facilities and the business segment that primarily uses each of the facilities:

Principal Manufacturing Facilities

Inside the U.S.

California
Bakersfield (BFS)
Dixon (USSM/USB)
Stockton (USSM/USB)
Connecticut
Bloomfield (GBS)
Florida
Lakeland (GBS)
Illinois
Downers Grove (GBS)
New Jersey
East Brunswick (GBS)
North Carolina
Maxton (USSM/ISMB)
Ohio
Napoleon (USSM/USB/BFS/ISMB)
Willard (GBS)
Pennsylvania
Denver (GBS)
Downingtown (GBS/BFS)
South Carolina
Aiken (GBS)
Texas
Paris (USSM/USB/ISMB/BFS)
Utah
Richmond (GBS)
Washington
Everett (BFS)
Prosser (BFS)
Wisconsin
Milwaukee (USSM)

Outside the U.S.

Australia
Huntingwood (GBS)
Marleston (GBS)
Shepparton (ISMB)
Virginia (GBS)
Belgium
Puurs (ISMB)
China
Xiamen (ISMB)
Canada
Toronto (USSM/ISMB/BFS)
France
Le Pontet (ISMB)
Germany
Lubeck (ISMB)
Indonesia
Jawa Barat (GBS)
Malaysia
Selangor Darul Ehsan (ISMB)
Mexico
Villagran (ISMB)
Sweden
Kristianstadt (ISMB)

USSM - U.S. Simple Meals
GBS - Global Baking and Snacking
ISMB - International Simple Meals and Beverages
USB - U.S. Beverages
BFS - Bolthouse and Foodservice

Each of the foregoing manufacturing facilities is company-owned, except the (i) Selangor Darul Ehsan, Malaysia, and the East Brunswick, New Jersey, facilities are leased, and (ii) Xiamen, China, facility is owned by Swire Pacific Limited, the company's joint venture partner in China. The company also maintains executive offices in Norwalk, Connecticut; Puurs, Belgium; Bakersfield, California; Toronto, Canada; and North Strathfield, Australia.

The company expects to close the Aiken, South Carolina, and the Villagran, Mexico, facilities in 2014. On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meal business in Europe. The potential transaction includes the sale of the facilities and executive offices in Puurs, Belgium; Le Pontet, France; Lubeck, Germany; and Kristianstadt, Sweden. The former Sacramento, California, and South Plainfield, New Jersey, facilities were closed prior to the filing of this Report.

Management believes that the company's manufacturing and processing plants are well maintained and are generally adequate to support the current operations of the businesses.

Item 3. ***Legal Proceedings***

None.

Item 4. ***Mine Safety Disclosures***

Not applicable.

Executive Officers of the Company

The following list of executive officers as of September 13, 2013, is included as an item in Part III of this Form 10-K:

Name	Present Title	Age	Year First Appointed Executive Officer
Mark R. Alexander	Senior Vice President	49	2009
Carlos Barroso	Senior Vice President	54	2013
Irene Chang Britt	Senior Vice President	50	2010
Anthony P. DiSilvestro	Senior Vice President - Finance	54	2004
Ellen Oran Kaden	Senior Vice President - Chief Legal and Public Affairs Officer	61	1998
Luca Mignini	Senior Vice President	51	2013
Denise M. Morrison	President and Chief Executive Officer	59	2003
Robert W. Morrissey	Senior Vice President and Chief Human Resources Officer	55	2012
B. Craig Owens	Senior Vice President - Chief Financial Officer and Chief Administrative Officer	59	2008
Michael P. Senackerib	Senior Vice President - Chief Marketing Officer	48	2012
David R. White	Senior Vice President	58	2004

Carlos Barroso served as President and Founder of CJB and Associates, LLC, an R&D consulting firm (2009 - 2013), and Senior Vice President of R&D, Pepsico Global Foods (2008 - 2009), of PepsiCo, Inc. prior to joining the company in 2013. Luca Mignini served as Chief Executive Officer of the Findus Italy division of IGLO Group (2010 - 2012) and Senior Vice President, Europe, Japan and Australia and New Zealand (2007 - 2010), of SC Johnson & Son, Inc. prior to joining the company in 2013. B. Craig Owens served as Executive Vice President and Chief Financial Officer of the Delhaize Group prior to joining the company in 2008. Michael P. Senackerib served as Senior Vice President and Chief Marking Officer of Hertz Global Holdings, Inc. and The Hertz Corporation (2008 - 2011) prior to joining the company in 2012. The company has employed Mark R. Alexander, Irene Chang Britt, Anthony P. DiSilvestro, Ellen Oran Kaden, Denise M. Morrison, Robert W. Morrissey, and David R. White in an executive or managerial capacity for at least five years.

There is no family relationship among any of the company's executive officers or between any such officer and any director that is first cousin or closer. All of the executive officers were elected at the November 2012 meeting of the Board of Directors, except Carlos Barroso was elected at the June 2013 meeting with his appointment effective as of July 31, 2013. Luca Mignini's appointment was effective as of January 21, 2013.

PART II

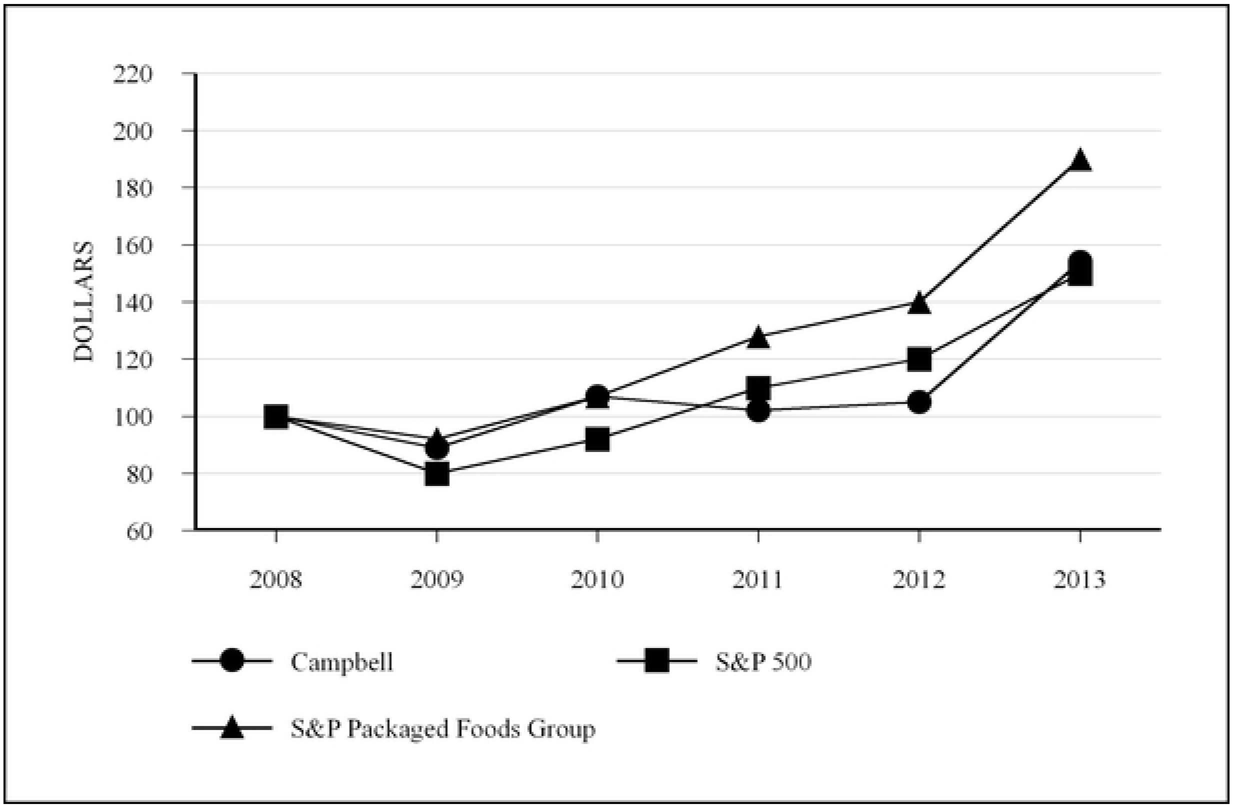
Item 5. ***Market for Registrant's Capital Stock, Related Shareowner Matters and Issuer Purchases of Equity Securities***

Market for Registrant's Capital Stock

The company's capital stock is listed and principally traded on the New York Stock Exchange. On September 13, 2013, there were 23,123 holders of record of the company's capital stock. Market price and dividend information with respect to the company's capital stock are set forth in Note 20 to the Consolidated Financial Statements. Future dividends will be dependent upon future earnings, financial requirements and other factors.

Return to Shareowners* Performance Graph

The following graph compares the cumulative total shareowner return (TSR) on the company's stock with the cumulative total return of the Standard & Poor's 500 Stock Index (the S&P 500) and the Standard & Poor's Packaged Foods Index (the S&P Packaged Foods Group). The graph assumes that $100 was invested on August 1, 2008, in each of company stock, the S&P 500 and the S&P Packaged Foods Group, and that all dividends were reinvested. The total cumulative dollar returns shown on the graph represent the value that such investments would have had on July 26, 2013.



* Stock appreciation plus dividend reinvestment.

	2008	2009	2010	2011	2012	2013
Campbell	100	89	107	102	105	**154**
S&P 500	100	80	92	110	120	**150**
S&P Packaged Foods Group	100	92	107	128	140	**190**

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	Approximate Dollar Value of Shares that may yet be Purchased Under the Plans or Programs ($ in Millions) (3)
4/29/2013 - 5/31/2013	228,500	$46.39	—	$750
6/1/2013 - 6/30/2013	88,973	$43.60	—	$750
7/1/2013 - 7/28/2013	—	—	—	$750
Total	317,473	$45.61	—	$750

(1) Represents shares repurchased in open-market transactions to offset the dilutive impact to existing shareowners of issuances under the company's stock compensation plans.

(2) Average price paid per share is calculated on a settlement basis and excludes commission.

(3) During the fourth quarter of 2013, the company had a publicly announced share repurchase program. Under this program, which was announced on June 23, 2011, the company's Board of Directors authorized the purchase of up to $1 billion of company stock. The program has no expiration date, although the company suspended purchases under the program in July 2012. The company expects to continue its longstanding practice, under separate authorization, of purchasing shares sufficient to offset shares issued under incentive compensation plans.

Item 6. ***Selected Financial Data***

FIVE-YEAR REVIEW — CONSOLIDATED

Fiscal Year	2013[1]	2012[2]	2011[3]	2010[4]	2009[5]
	(Millions, except per share amounts)				
Summary of Operations					
Net sales	**$ 8,052**	$ 7,175	$ 7,143	$ 7,085	$ 6,988
Earnings before interest and taxes	**1,080**	1,155	1,212	1,272	1,187
Earnings before taxes	**955**	1,049	1,100	1,166	1,080
Earnings from continuing operations	**680**	724	749	791	736
Earnings (loss) from discontinued operations	**(231)**	40	53	53	—
Net earnings	**449**	764	802	844	736
Net earnings attributable to Campbell Soup Company	**458**	774	805	844	736
Financial Position					
Plant assets - net	**$ 2,260**	$ 2,127	$ 2,103	$ 2,051	$ 1,977
Total assets	**8,323**	6,530	6,862	6,276	6,056
Total debt	**4,453**	2,790	3,084	2,780	2,624
Total equity	**1,210**	898	1,096	929	731
Per Share Data					
Earnings from continuing operations attributable to Campbell Soup Company - basic	**$ 2.19**	$ 2.30	$ 2.28	$ 2.29	$ 2.06
Earnings from continuing operations attributable to Campbell Soup Company - assuming dilution	**2.17**	2.29	2.26	2.27	2.05
Net earnings attributable to Campbell Soup Company - basic	**1.46**	2.43	2.44	2.44	2.06
Net earnings attributable to Campbell Soup Company - assuming dilution	**1.44**	2.41	2.42	2.42	2.05
Dividends declared	**1.16**	1.16	1.145	1.075	1.00
Other Statistics					
Capital expenditures	**$ 336**	$ 323	$ 272	$ 315	$ 345
Weighted average shares outstanding - basic	**314**	317	326	340	352
Weighted average shares outstanding - assuming dilution	**317**	319	329	343	354

(All per share amounts below are on a diluted basis)

On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meals business in Europe.The results of the business were reflected as discontinued operations in the Consolidated Statements of Earnings for all years presented. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013.

(1) The 2013 earnings from continuing operations were impacted by restructuring charges and related costs of $90 million ($.28 per share) associated with restructuring initiatives in 2013. Earnings from continuing operations were also impacted by Bolthouse Farms acquisition-related costs of $7 million ($.02 per share). Earnings from discontinued operations were impacted by an impairment charge on the intangible assets of the simple meals business in Europe of $263 million ($.83 per share) and tax expense of $18 million ($.06 per share) representing taxes on the difference between the book value and tax basis of the business.

(2) The 2012 earnings from continuing operations were impacted by a restructuring charge of $4 million ($.01 per share) associated with the 2011 initiatives to improve supply chain efficiency, reduce overhead costs across the organization and exit the Russian market. Earnings from discontinued operations included a restructuring charge of $2 million ($.01 per share) associated with the

initiatives. Earnings from continuing operations were also impacted by Bolthouse Farms acquisition-related costs of $3 million ($.01 per share).

(3) The 2011 earnings from continuing operations were impacted by a restructuring charge of $39 million ($.12 per share) associated with initiatives announced in June 2011 to improve supply chain efficiency, reduce overhead costs across the

organization and exit the Russian market. Earnings from discontinued operations included a restructuring charge of $2 million associated with the initiatives.

(4) The 2010 earnings from continuing operations were impacted by the following: a restructuring charge of $8 million ($.02 per share) for pension benefit costs associated with the 2008 initiatives to improve operational efficiency and long-term profitability and $10 million ($.03 per share) to reduce deferred tax assets as a result of the U.S. health care legislation enacted in March 2010.

(5) The 2009 earnings from continuing operations were impacted by the following: $15 million ($.04 per share) of restructuring-related costs associated with the 2008 initiatives to improve operational efficiency and long-term profitability. The 2009 earnings from discontinued operations were impacted by an impairment charge of $47 million ($.13 per share) related to certain European trademarks and a $4 million ($.01 per share) tax benefit related to the sale of the Godiva Chocolatier business.

Five-Year Review should be read in conjunction with the Notes to Consolidated Financial Statements.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

OVERVIEW

Description of the Company

Campbell Soup Company is a manufacturer and marketer of high-quality, branded convenience food products. The company reports the results of operations in the following reportable segments: U.S. Simple Meals; Global Baking and Snacking; International Simple Meals and Beverages; U.S. Beverages; and Bolthouse and Foodservice.

On August 6, 2012, the company completed the acquisition of Bolthouse Farms from a fund managed by Madison Dearborn Partners, LLC, a private equity firm, for $1.550 billion in cash, subject to customary purchase price adjustments. On August 6, 2012, the preliminary purchase price adjustments resulted in an increase in the purchase price of $20 million. In the third quarter, the purchase price adjustments were finalized and reduced to $11 million. The company funded the acquisition through a combination of short- and long-term borrowings. See Notes 3 and 13 to the Consolidated Financial Statements for more information on the acquisition.

On June 13, 2013, the company completed the acquisition of Plum for $249 million, subject to customary purchase price adjustments. Plum is a leading provider of premium, organic foods and snacks that serve the nutritional needs of babies, toddlers and children. See Note 3 to the Consolidated Financial Statements for more information on the acquisition.

On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013. See Note 4 to the Consolidated Financial Statements for additional information.

Key Strategies

Campbell's long-term goal is to create shareowner value by driving sustainable, profitable net sales growth. The company is seeking to achieve this goal by increasing the strength of its core business and by expanding into higher-growth spaces, including new consumer segments, categories, channels and geographies.

Campbell is focused in three core categories: simple meals, healthy beverages and snacks. Its strategic priorities are to profitably grow its soup and simple meals business in North America, expand its international presence, and continue to drive growth in snacks and healthy beverages. In 2013, the company made meaningful progress in advancing these objectives.

In managing its core soup and simple meals business in North America, Campbell seeks to align investment in each business in the portfolio with the growth potential of the category and the brand. It grew net sales and operating earnings in U.S. Soup in 2013 by improving execution and optimizing key drivers of demand, including brand positioning, communication, merchandising and pricing, taste, distribution and innovation.

In 2014, Campbell will continue its efforts to strengthen its North American business through improved execution, brand building and innovation. It plans to introduce more than 30 new soup products, ranging from a new line of *Campbell's Homestyle* ready-to-eat soups to flavor-infused *Swanson* broths. It will expand its presence in the dinner sauce category with the launch of *Campbell's* Slow Cooker sauces. It will also focus on driving growth in its new Plum business, a line of premium, organic foods and snacks for babies, toddlers and young children, which the company acquired in 2013.

In 2013, Campbell also acquired Bolthouse Farms, a business that gives the company a strong platform for access to packaged fresh segments that are aligned with significant consumer trends. In combination, Bolthouse Farms' beverages business and the

company's line of *V8* branded beverages provide Campbell with a healthy beverages portfolio that spans the range from shelf-stable value offerings to mainstream products to fresh, super-premium beverages. In 2014, Campbell expects to continue to drive growth in Bolthouse Farms by leveraging its robust innovation pipeline and by investing in brand building. It plans to improve the performance of its *V8* beverages business through disciplined focus on the drivers of demand, continued expansion in energy drinks and other growth segments in the shelf-stable beverages category, and close attention to cost management. The introduction of *V8 Harvest*, a fresh tomato-based 100% vegetable juice, will represent the first entry of the *V8* brand into the super-premium beverage segment.

In Campbell's baking and snacking portfolio, Pepperidge Farm expects continued growth in 2014, driven primarily by its cracker business. With the introduction of *Goldfish Puffs*, a puffed cheese snack product designed primarily for teens, Pepperidge Farm will begin to expand the *Goldfish* brand into adjacent categories. At Arnott's in Australia, the company will focus on growing the core biscuits business with innovative flavors and new pack sizes and on driving productivity and reducing costs.

Campbell is seeking to expand its presence in international markets by extending the product platforms of many of its current businesses and by pursuing business development opportunities in faster-growing developing markets. In 2014, the company intends to leverage new strategic alliances in Mexico with Grupo Jumex and Conservas La Costeña to drive profitable growth in beverages, soups and simple meals through access to expanded manufacturing and distribution capabilities. In Indonesia, it plans to continue to drive growth in biscuits through increased penetration in the general trade. In Malaysia, it will focus on improved in-store execution behind its *Prego* and *Kimball* sauce brands. The company's acquisition of Kelsen during the first quarter of 2014 provides an immediate opportunity for growth in the large baked snacks category in China.

Executive Summary

This Executive Summary provides significant highlights from the discussion and analysis that follows.

- Net sales increased 12% in 2013 to $8.052 billion. The acquisition of Bolthouse Farms and Plum contributed 11 points of the growth.
- Gross profit, as a percent of sales, decreased to 36.2% from 39.2% a year ago. The decline was primarily attributable to the acquisition of Bolthouse Farms and the impact of restructuring-related costs recognized in the current year.
- Earnings from continuing operations per share were $2.17 in 2013, compared to $2.29 in 2012. The current year included $.31 per share of expense from items that impacted comparability, as discussed below. The prior year included $.02 per share of expense from items that impacted comparability, as discussed below.
- In 2013, the company reported a loss from discontinued operations of $.73 per share, compared to earnings of $.12 per share in 2012. The current year included $.89 per share of expense from items that impacted comparability. The prior year included $.01 per share of expense from items that impacted comparability, as discussed below.

Net earnings attributable to Campbell Soup Company - 2013 Compared with 2012

The following items impacted the comparability of net earnings and net earnings per share:

<u>Continuing Operations</u>

- In 2013, the company incurred transaction costs of $10 million ($7 million after tax or $.02 per share) associated with the acquisition of Bolthouse Farms. In 2012, the company recorded pre-tax transaction costs of $5 million ($3 million after tax or $.01 per share) related to the acquisition;
- In 2013, the company recorded pre-tax restructuring charges of $51 million and restructuring-related costs of $91 million in Cost of products sold (aggregate impact of $90 million after tax or $.28 per share) associated with initiatives to improve its U.S. supply chain cost structure and increase asset utilization across its U.S. thermal plant network; expand access to manufacturing and distribution capabilities in Mexico; improve its Pepperidge Farm bakery supply chain cost structure; and reduce overhead costs in North America. See Note 8 to the Consolidated Financial Statements and "Restructuring Charges" for additional information; and

- In 2011, the company announced a series of initiatives to improve supply chain efficiency and reduce overhead costs across the organization to help fund plans to drive growth of the business. The company also announced its exit from the Russian market. In 2012, the company recorded pre-tax restructuring charges of $7 million ($4 million after tax or $.01 per share) related to the initiatives. See Note 8 to the Consolidated Financial Statements and "Restructuring Charges" for additional information.

Discontinued Operations

- In the fourth quarter of 2013, the company recorded an impairment charge on the intangible assets of the simple meals business in Europe of $396 million ($263 million after tax or $.83 per share). In addition, the company recorded $18 million in tax expense ($.06 per share) representing taxes on the difference between the book value and tax basis of the business. See Note 4 to the Consolidated Financial Statements for additional information.

- In 2012, the company recorded restructuring charges of $3 million ($2 million after tax or $.01 per share) associated with reducing overhead.

The items impacting comparability are summarized below:

	2013		2012	
	Earnings Impact	**EPS Impact**	**Earnings Impact**	**EPS Impact**
	(Millions, except per share amounts)			
Earnings from continuing operations attributable to Campbell Soup Company	**$ 689**	**$ 2.17**	$ 734	$ 2.29
Earnings (loss) from discontinued operations	**$ (231)**	**$ (.73)**	$ 40	$ 0.12
Net earnings attributable to Campbell Soup Company	**$ 458**	**$ 1.44**	$ 774	$ 2.41
Continuing operations:				
Restructuring charges and related costs	**$ (90)**	**$ (.28)**	$ (4)	$ (.01)
Acquisition transaction costs	**(7)**	**(.02)**	(3)	(.01)
Impact of items on earnings from continuing operations[1]	**$ (97)**	**$ (.31)**	$ (7)	$ (.02)
Discontinued operations:				
Restructuring charges and related costs	**$ —**	**$ —**	$ (2)	$ (.01)
Impairment charge	**(263)**	**(.83)**	—	—
Tax expense on book and tax differences	**(18)**	**(.06)**	—	—
Impact of items on earnings (loss) from discontinued operations	**$ (281)**	**$ (.89)**	$ (2)	$ (.01)

(1) The sum of the individual per share amounts may not add due to rounding.

Earnings from continuing operations were $689 million ($2.17 per share) in 2013, compared to $734 million ($2.29 per share) in 2012. After adjusting for restructuring charges and related costs and acquisition transaction costs, earnings increased in 2013 from 2012. The increase was primarily due to sales growth, lower marketing expenses, the impact of the acquisition of Bolthouse Farms and a lower effective tax rate, partially offset by higher administrative expenses and higher selling expenses. Earnings per share benefited from a reduction in the weighted average diluted shares outstanding, reflecting the impact of the company's strategic share repurchase program in 2012.

Net earnings attributable to Campbell Soup Company - 2012 Compared with 2011

In addition to the 2012 item that impacted comparability of net earnings and net earnings per share previously disclosed, the following items impacted the comparability of net earnings and earnings per share:

Continuing Operations

- In 2011, the company announced a series of initiatives to improve supply chain efficiency and reduce overhead costs across the organization to help fund plans to drive the growth of the business. The company also announced its exit from the Russian market. In 2012, the company recorded pre-tax restructuring charges of $7 million ($4 million after tax or $.01 per share) related to the initiatives. In the fourth quarter of 2011, the company recorded a restructuring charge of $60 million ($39 million after tax or $.12 per share) related to the initiatives. See Note 8 to the Consolidated Financial Statements and "Restructuring Charges" for additional information.

Discontinued Operations

- In 2011, the company recorded $3 million ($2 million after tax) associated with the initiatives.

The items impacting comparability are summarized below:

	2012		2011	
	Earnings Impact	EPS Impact	Earnings Impact	EPS Impact
	(Millions, except per share amounts)			
Earnings from continuing operations attributable to Campbell Soup Company	$ 734	$ 2.29	$ 752	$ 2.26
Earnings (loss) from discontinued operations	$ 40	$ 0.12	$ 53	$ 0.16
Net earnings attributable to Campbell Soup Company	$ 774	$ 2.41	$ 805	$ 2.42
Continuing operations:				
Restructuring charges	$ (4)	$ (.01)	$ (39)	$ (.12)
Acquisition transaction costs	(3)	(.01)	—	—
Impact of items on earnings from continuing operations	$ (7)	$ (.02)	$ (39)	$ (.12)
Discontinued operations:				
Restructuring charges and related costs	$ (2)	$ (.01)	$ (2)	$ —
Impact of items on earnings from discontinued operations	$ (2)	$ (.01)	$ (2)	$ —

Earnings from continuing operations were $734 million ($2.29 per share) in 2012, compared to $752 million ($2.26 per share) in 2011. After adjusting for items impacting comparability, earnings decreased in 2012 from 2011. The decrease was primarily due to a decline in gross margin percentage partially offset by a lower effective tax rate. The decline in gross margin was due to cost inflation, increased promotional spending and unfavorable mix, partly offset by higher selling prices and productivity improvements. Earnings per share benefited from a reduction in the weighted average diluted shares outstanding, which was primarily due to share repurchases under the company's strategic share repurchase programs.

Net earnings (loss) attributable to noncontrolling interests

The company owns a 60% controlling interest in a joint venture formed with Swire Pacific Limited to support the development of the company's business in China. The joint venture began operations on January 31, 2011. The noncontrolling interest's share in the net loss was included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings.

The company also owns a 70% controlling interest in a Malaysian food products manufacturing company. The noncontrolling interest's share in the net earnings was included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings and was not material in 2013, 2012, or 2011.

DISCUSSION AND ANALYSIS

Sales

An analysis of net sales by reportable segment follows:

				% Change	
	2013	2012	2011	2013/2012	2012/2011
		(Millions)			
U.S. Simple Meals	**$ 2,849**	$ 2,726	$ 2,751	5	(1)
Global Baking and Snacking	**2,273**	2,193	2,156	4	2
International Simple Meals and Beverages	**869**	872	887	—	(2)
U.S. Beverages	**742**	774	759	(4)	2
Bolthouse and Foodservice	**1,319**	610	590	116	3
	$ 8,052	$ 7,175	$ 7,143	12	—

An analysis of percent change of net sales by reportable segment follows:

2013 versus 2012	U.S. Simple Meals	Global Baking and Snacking	International Simple Meals and Beverages	U.S. Beverages	Bolthouse and Foodservice	Total (2)
Volume and Mix	3%	4%	—%	(3)%	(6)%	1%
Price and Sales Allowances	2	2	2	—	—	2
Increased Promotional Spending (1)	(1)	(2)	(2)	(1)	(2)	(1)
Currency	—	—	—	—	—	—
Acquisitions	1	—	—	—	124	11
	5%	4%	—%	(4)%	116%	12%

2012 versus 2011	U.S. Simple Meals	Global Baking and Snacking	International Simple Meals and Beverages	U.S. Beverages	Bolthouse and Foodservice	Total
Volume and Mix	(4)%	(1)%	(1)%	3%	2%	(2)%
Price and Sales Allowances	3	5	3	—	2	3
Increased Promotional Spending (1)	—	(3)	(3)	(1)	(1)	(1)
Currency	—	1	(1)	—	—	—
	(1)%	2%	(2)%	2%	3%	—%

(1) Represents revenue reductions from trade promotion and consumer coupon redemption programs.
(2) Sum of the individual amounts does not add due to rounding.

In 2013, U.S. Simple Meals sales increased 5%, reflecting increases in U.S. Soup and U.S. Sauces. U.S. Soup sales increased 5%, benefiting from improved execution and the favorable impact of weather. Further details of U.S. Soup include:

- Sales of *Campbell's* condensed soups increased 2% with gains in both cooking and eating varieties.
- Sales of ready-to-serve soups increased 9% due to volume-driven gains in *Campbell's Chunky* canned soups, which benefited from new varieties, increased promotional spending and a return to NFL-themed advertising.
- Broth sales increased 4%, primarily driven by double-digit gains in aseptically packaged broth, partially offset by lower sales of canned products and lower sales of *Swanson Flavor Boost* concentrated broth, which was introduced in 2012.

U.S. Sauces sales increased 5% primarily due to the acquisition of Plum in June 2013, growth in *Prego* pasta sauces, the 2013 launch of *Campbell's* Skillet Sauces, and growth in *Pace* Mexican sauces, partially offset by lower sales in other simple meals products.

In 2012, U.S. Simple Meals sales decreased 1%. U.S. Soup declined 2% as lower volumes were partially offset by higher selling prices, reflecting a continued cautious consumer environment. Further details of U.S. Soup include:

- Sales of *Campbell's* condensed soups increased 1% due to gains in eating varieties as cooking varieties were comparable to a year ago.
- Sales of ready-to-serve soups decreased 7%. Ready-to-serve soup volumes were impacted by the company's shift to improve price realization through higher selling prices and reduced promotional spending. The introduction of *Campbell's Slow Kettle* soups in July 2011 positively impacted sales performance.
- Broth sales increased 3% primarily due to volume gains and the introduction of *Swanson Flavor Boost* concentrated broth, which launched in July 2011.

U.S. Sauces sales increased slightly as gains in *Prego* pasta sauces were mostly offset by declines in sales of *Pace* Mexican sauces and other simple meal products. Sales of *Pace* Mexican sauces were negatively impacted by increased private label competitive activity. In U.S. Sauces, promotional spending was increased to improve marketplace performance.

In 2013, Global Baking and Snacking sales increased 4% with gains in both Pepperidge Farm and Arnott's. Pepperidge Farm sales increased primarily due to growth in fresh bakery products, *Goldfish* snack crackers, and cookies. Sales of fresh bakery products benefited from improved marketplace performance and increased shelf space at retail outlets resulting from the bankruptcy of a competitor. Arnott’s sales increased primarily due to gains in Indonesia, partially offset by the impact of currency. Promotional

spending was increased by Pepperidge Farm for competitive reasons and to capitalize on the opportunity to increase shelf space in the U.S. bread category and in Arnott's to remain competitive in the Australian marketplace.

In 2012, Global Baking and Snacking sales increased 2% as sales growth in Pepperidge Farm was partially offset by a decline in Arnott's. Sales at Pepperidge Farm reflected higher selling prices across the product portfolio, partly offset by increased promotional spending. Sales increased at double-digit rates in *Goldfish* snack crackers, and declined in cookies and frozen products. Sales at Arnott's declined reflecting an increase in promotional spending as the business was impacted by a difficult customer and consumer environment.

In 2013, International Simple Meals and Beverages sales were comparable to 2012. Sales declines in the Asia Pacific region, primarily due to currency and declines in exports, were partially offset by gains in China, Canada and Latin America. Promotional spending was increased, primarily to support the soup business in Canada, in response to more intense price competition in the marketplace.

In 2012, International Simple Meals and Beverages sales decreased 2% due to declines in Canada partly offset by growth in export sales. In Canada, sales declined primarily due to lower soup sales and the impact of currency. Promotional spending was increased within the segment to improve marketplace performance.

In 2013, U.S. Beverages sales decreased 4% due to declines in sales of *V8* vegetable juice and *V8 V-Fusion* beverages, partially offset by an increase in *V8 Splash* beverages. Promotional spending was increased, primarily on *V8 Splash*, in response to more price-based competition in the value segment.

In 2012, U.S. Beverages sales increased 2%. Sales of *V8 Splash* beverages and *V8 V-Fusion* beverages increased, while sales of *V8* vegetable juice declined. Sales of *V8 V-Fusion* beverages benefited from a range of new products, including *V8 V-Fusion* Smoothies, Energy, Sparkling and juice boxes, as well as increased promotional support.

In 2013, Bolthouse and Foodservice sales increased due to the acquisition of Bolthouse Farms in 2013, which contributed $756 million to sales. North America Foodservice sales declined 8% primarily due to declines in frozen soup products, reflecting the loss of a major restaurant customer, and higher levels of trade spending to remain competitive.

In 2012, North America Foodservice sales increased 3% primarily due to gains in refrigerated soup.

Gross Profit

Gross profit, defined as Net sales less Cost of products sold, increased by $102 million in 2013 and decreased by $78 million in 2012 from 2011. As a percent of sales, gross profit was 36.2% in 2013, 39.2% in 2012, and 40.4% in 2011.

The 3.0 and 1.2 percentage-point decreases in gross margin percentage in 2013 and 2012 were due to the following factors:

	% Change	
	2013	**2012**
Cost inflation and other factors	**(1.9)**	(3.6)
Impact of acquisitions	**(1.7)**	—
Restructuring-related costs	**(1.1)**	—
Higher level of promotional spending	**(0.7)**	(0.8)
Productivity improvements	**1.6**	1.8
Higher selling prices	**0.8**	2.1
Mix	**—**	(0.7)
	(3.0)	(1.2)

Marketing and Selling Expenses

Marketing and selling expenses as a percent of sales were 11.8% in 2013, 13.1% in 2012, and 12.7% in 2011. Marketing and selling expenses increased 1% in 2013 from 2012. The increase was primarily due to the impact of the Bolthouse Farms acquisition (approximately 3 percentage points); higher selling expenses (approximately 2 percentage points); and higher marketing expenses to support innovation efforts (approximately 2 percentage points), partially offset by lower advertising and consumer promotion expenses, primarily in the U.S. Soup business (approximately 6 percentage points). Marketing and selling expenses increased 4% in 2012 from

2011 primarily due to higher advertising and consumer promotion expenses (approximately 3 percentage points) and higher other marketing expenses (approximately 1 percentage point). Advertising and consumer promotion expenses increased 6% in 2012 from 2011, reflecting brand-building investments across many key brands.

Administrative Expenses

Administrative expenses as a percent of sales were 8.4% in 2013, 8.1% in 2012 and 2011. Administrative expenses increased by 17% in 2013 from 2012, primarily due to the impact of the Bolthouse Farms acquisition (approximately 10 percentage points) and higher incentive compensation costs (approximately 7 percentage points). Administrative expenses increased 1% in 2012 from 2011, primarily due to higher compensation and benefit costs (approximately 2 percentage points); and higher general administrative costs and inflation (approximately 3 percentage points), partially offset by cost savings from restructuring initiatives and other factors (approximately 4 percentage points).

Research and Development Expenses

Research and development expenses increased $12 million or 10% in 2013 from 2012. The increase was primarily due to higher incentive compensation and benefit costs (approximately 7 percentage points); the impact of the Bolthouse Farms acquisition (approximately 2 percentage points); and higher costs associated with product innovation in North America (approximately 1 percentage point). Research and development expenses decreased $4 million or 3% in 2012 from 2011. The decrease was primarily due to cost savings initiatives and other factors (approximately 6 percentage points), partially offset by higher costs associated with product innovation in North America and the Asia Pacific region (approximately 2 percentage points), and inflation (approximately 1 percentage point).

Other Expenses/(Income)

Other expenses in 2013 included $10 million of transaction costs and $14 million of amortization of intangible assets associated with the acquisition of Bolthouse Farms.

Other expenses in 2012 included $5 million of transaction costs associated with the acquisition of Bolthouse Farms.

Operating Earnings

Segment operating earnings increased 7% in 2013 from 2012 and decreased 8% in 2012 from 2011.

An analysis of operating earnings by segment follows:

				% Change	
	2013	**2012**	**2011**	**2013/2012**	**2012/2011**
		(Millions)			
U.S. Simple Meals	**$ 731**	$ 658	$ 657	11%	—%
Global Baking and Snacking	**316**	315	355	—	(11)
International Simple Meals and Beverages	**108**	106	128	2	(17)
U.S. Beverages	**120**	134	182	(10)	(26)
Bolthouse and Foodservice	**116**	85	82	36	4
	1,391	1,298	1,404	7%	(8)%
Unallocated corporate expenses	**(260)**	(136)	(132)		
Restructuring charges[1]	**(51)**	(7)	(60)		
Earnings before interest and taxes	**$ 1,080**	$ 1,155	$ 1,212		

[1] See Note 8 to the Consolidated Financial Statements for additional information on restructuring charges.

Earnings from U.S. Simple Meals increased 11% in 2013 versus 2012. The improvement in operating earnings was due to solid gains in U.S. Soup, partially offset by a decline in U.S. Sauces mostly due to increased marketing spending in support of new items. For the segment, higher selling prices and productivity savings were partially offset by cost inflation.

Earnings from U.S. Simple Meals in 2012 and 2011 were comparable, as earnings gains in U.S. Soup were mostly offset by declines in U.S. Sauces. For the segment, higher selling prices, productivity improvements and lower promotional spending were mostly offset by lower volumes and cost inflation.

Earnings from Global Baking and Snacking increased $1 million in 2013, reflecting growth in Pepperidge Farm mostly offset by

lower earnings in Arnott's.

Earnings from Global Baking and Snacking decreased 11% in 2012 versus 2011 primarily due to cost inflation, increased promotional spending and higher advertising expense, partly offset by higher selling prices and productivity improvements. Promotional spending was increased to support the businesses.

Earnings from International Simple Meals and Beverages increased 2% in 2013 versus 2012. The increase was primarily due to lower losses in China, reflecting lower marketing expenses partially offset by a lower gross margin percentage.

Earnings from International Simple Meals and Beverages decreased 17% in 2012 versus 2011. The decrease in operating earnings was primarily due to lower earnings in the Asia Pacific region and Canada, and increased costs associated with the company's market expansion in China, partially offset by the benefit of exiting the Russian market.

Earnings from U.S. Beverages decreased 10% in 2013 versus 2012, primarily due to lower sales and a lower gross margin percentage, partially offset by reduced advertising expenses.

Earnings from U.S. Beverages decreased 26% in 2012 versus 2011 primarily due to cost inflation, increased promotional spending and advertising expense, partly offset by productivity improvements.

Earnings from Bolthouse and Foodservice increased $31 million in 2013 from 2012 due to the acquisition of Bolthouse Farms, which contributed $63 million, partially offset by lower earnings in North America Foodservice resulting from the decline in sales.

Earnings from Bolthouse and Foodservice increased 4% in 2012 versus 2011 due to higher selling prices and productivity improvements, partially offset by cost inflation. In 2012 and 2011, all of the segment earnings were from North America Foodservice as Bolthouse was acquired in 2013.

Unallocated corporate expenses in 2013 included restructuring-related costs of $91 million and transaction costs of $10 million associated with the acquisition of Bolthouse Farms. Unallocated corporate expenses in 2012 included $5 million associated with the acquisition of Bolthouse Farms. The remaining increase in 2013 was primarily due to higher incentive compensation costs.

Interest Expense/Income

Interest expense increased to $135 million in 2013 from $114 million in 2012, reflecting a higher debt level due to the Bolthouse Farms acquisition, partially offset by lower interest rates. Interest income increased to $10 million from $8 million in 2012 primarily due to higher levels of cash and cash equivalents.

Interest expense decreased to $114 million in 2012 from $122 million in 2011, primarily due to lower interest rates on fixed-rate debt. Interest income decreased to $8 million in 2012 from $10 million in 2011 primarily due to lower levels of cash and cash equivalents.

Taxes on Earnings

The effective tax rate was 28.8% in 2013, 31.0% in 2012, and 31.9% in 2011. The current year included a tax benefit of $55 million on $152 million of restructuring charges and related costs and acquisition transaction costs. The decline in the effective tax rate in 2013 from 2012 was primarily due to lower state taxes, including the favorable resolution of certain matters, and an increase in the U.S. manufacturing deduction.

The reduction in the effective tax rate in 2012 from 2011 was primarily due to lower tax expense associated with the repatriation of foreign earnings in 2012.

Restructuring Charges

2013 Initiatives

In 2013, the company implemented the following initiatives to improve supply chain efficiency, expand access to manufacturing and distribution capabilities, and reduce costs:

- The company implemented initiatives to improve its U.S. supply chain cost structure and increase asset utilization across its U.S. thermal plant network, including closing its thermal plant in Sacramento, California, which produced soups, sauces and beverages. The closure resulted in the elimination of approximately 700 full-time positions and was completed in phases. Most of the positions were eliminated in 2013 and operations ceased in August 2013. The company shifted the majority of Sacramento's soup, sauce and beverage production to its thermal plants in Maxton, North Carolina; Napoleon, Ohio; and Paris, Texas. The company also closed its spice plant in South Plainfield, New Jersey, which resulted in the elimination of 27 positions. The company consolidated spice production at its Milwaukee, Wisconsin, plant in 2013.
- In Mexico, the company entered into commercial arrangements with third-party providers to expand access to manufacturing and distribution capabilities. The third-party providers will produce and distribute the company's beverages, soups, broths and sauces throughout the Mexican market. As a result of these agreements, the company will close its plant in Villagrán, Mexico, in 2014 and eliminate approximately 260 positions.

- The company will improve its Pepperidge Farm bakery supply chain cost structure by closing its plant in Aiken, South Carolina, in 2014. The company will shift the majority of Aiken's bread production to its bakery plant in Lakeland, Florida. Approximately 110 positions will be eliminated as a result of the plant closure.

- The company streamlined its salaried workforce in U.S. Simple Meals, North America Foodservice and U.S. Beverages by approximately 70 positions. This action was substantially completed in August 2013.

The company recorded a restructuring charge of $51 million related to these initiatives in 2013. In addition, approximately $91 million of costs related to these initiatives were recorded in Cost of products sold, representing accelerated depreciation and other exit costs. The aggregate after-tax impact of restructuring charges and related costs was $90 million, or $.28 per share. A summary of the pre-tax costs and remaining costs associated with the initiatives is as follows:

(Millions)	Total Program	Recognized as of July 28, 2013	Remaining Costs to be Recognized
Severance pay and benefits	$ 37	$ (35)	$ 2
Accelerated depreciation/asset impairment	99	(99)	—
Other exit costs	14	(8)	6
Total	$ 150	$ (142)	$ 8

Of the aggregate $150 million of pre-tax costs, the company expects approximately $47 million will be cash expenditures. In addition, the company expects to invest approximately $31 million in capital expenditures, primarily to relocate and refurbish a beverage filling and packaging line, and relocate bread production, of which approximately $12 million has been invested as of July 28, 2013. The outstanding aspects of these restructuring initiatives are expected to be completed in 2014. The remaining cash outflows related to these restructuring initiatives are not expected to have a material adverse impact on the company's liquidity.

The initiatives included in this program, once fully implemented, are expected to generate annual ongoing pre-tax savings of approximately $40 million beginning in 2015, with 2014 savings of approximately $30 million.

The total pre-tax costs of $150 million associated with segments are expected to be as follows: U.S. Simple Meals - $91 million; Global Baking and Snacking - $16 million; International Simple Meals and Beverages - $10 million; U.S. Beverages - $31 million; and Bolthouse and Foodservice - $2 million. Segment operating results do not include restructuring charges as segment performance is evaluated excluding such charges.

2011 Initiatives

In the fourth quarter of 2011, the company announced a series of initiatives to improve supply chain efficiency and reduce overhead costs across the organization to help fund plans to drive the growth of the business. The company also announced its exit from the Russian market. Details of the initiatives include:

- In Australia, the company is investing in a new system to automate packing operations at its biscuit plant in Virginia. This investment continued through 2013 and will result in the elimination of approximately 190 positions. This initiative is now expected to be substantially completed by December 2013. Further, the company improved asset utilization in the U.S. by shifting production of ready-to-serve soups from Paris, Texas, to other facilities in 2012. In addition, the manufacturing facility in Marshall, Michigan, was closed in 2011, and manufacturing of *Campbell's Soup at Hand* microwavable products was consolidated at the Maxton, North Carolina, plant in 2012.

- The company streamlined its salaried workforce by approximately 510 positions around the world, including approximately 130 positions at its world headquarters in Camden, New Jersey. These actions were substantially completed in 2011. As part of this initiative, the company outsourced a larger portion of its U.S. retail merchandising activities to its retail sales agent, Acosta Sales and Marketing, and eliminated approximately 190 positions.

- In connection with exiting the Russian market, the company eliminated approximately 50 positions. The exit process commenced in 2011 and was substantially completed in 2012.

In 2012, the company recorded a restructuring charge of $10 million ($6 million after tax or $.02 per share). Of the amount recorded in 2012, $3 million relates to discontinued operations. In the fourth quarter of 2011, the company recorded a restructuring charge of $63 million ($41 million after tax or $.12 per share). Of the amount recorded in 2011, $3 million related to discontinued operations. A summary of the pre-tax charges and remaining costs associated with the initiatives is as follows:

(Millions)	Total Program	Recognized as of July 28, 2013	Remaining Costs to be Recognized
Severance pay and benefits	$ 41	$ (41)	$ —
Accelerated depreciation/asset impairment	23	(23)	—

Other exit costs	10	(9)	1
Total	$ 74	$ (73)	$ 1

Of the aggregate $74 million of pre-tax costs, approximately $50 million represents cash expenditures, the majority of which was spent in 2012. In addition, the company expects to invest approximately $40 million in capital expenditures in connection

with the actions, of which approximately $33 million has been invested as of July 28, 2013. The remaining cash outflows related to these restructuring initiatives are not expected to have a material adverse impact on the company's liquidity.

The initiatives included in this program are expected to generate annual pre-tax cash savings of approximately $60 million beginning in 2012 and increasing to approximately $70 million in 2014.

The total pre-tax costs of $74 million associated with each segment are as follows: U.S. Simple Meals - $33 million; Global Baking and Snacking - $14 million; International Simple Meals and Beverages - $17 million; U.S. Beverages - $3 million; Bolthouse and Foodservice - $1 million; and Corporate - $6 million. Segment operating results do not include restructuring charges as segment performance is evaluated excluding such charges.

See Note 8 to the Consolidated Financial Statements for additional information.

Potential Future Initiatives

The company continues to evaluate initiatives to improve operational efficiency and long-term profitability and may take additional actions in the future as a result.

Discontinued Operations

On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The European business includes *Erasco* and *Heisse Tasse* soups in Germany; *Liebig* and *Royco* soups in France; *Devos Lemmens* mayonnaise and cold sauces; and *Royco* soups in Belgium; and *Blå Band* and *Isomitta* soups and sauces in Sweden.

The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment.

Results of the European business are summarized below.

(Millions)	**2013**	**2012**	**2011**
Net sales	**$ 532**	$ 532	$ 576
Earnings (loss) before taxes	**$ (331)**	$ 57	$ 68
Taxes on earnings	**100**	(17)	(15)
Earnings (loss) from discontinued operations	**$ (231)**	$ 40	$ 53

In the fourth quarter of 2013, the company recorded an impairment charge on the intangible assets of this business of $396 million ($263 million after tax or $.83 per share). In addition, the company recorded $18 million in tax expense ($.06 per share) representing taxes on the difference between the book value and tax basis of the business. See also Notes 4 and 6 to the Consolidated Financial Statements for additional information.

In 2013, sales were comparable to 2012 as gains in France, Belgium and the Nordic region were offset by declines in Germany and export sales. Excluding the impairment charge and the tax charge, earnings increased in 2013 due primarily to lower marketing spending and administrative costs.

In 2012, sales declined primarily due to currency and declines in Germany. In 2012, earnings declined primarily due to lower sales, a lower gross margin percentage and restructuring charges, partially offset by lower marketing spending.

LIQUIDITY AND CAPITAL RESOURCES

The company expects that foreseeable liquidity and capital resource requirements, including cash outflows to repay debt, pay dividends and fund pension plan contributions, will be met through anticipated cash flows from operations; long-term borrowings under its shelf registration statement; short-term borrowings, including commercial paper; and cash and cash equivalents. The company believes that its sources of financing will be adequate to meet its future liquidity and capital resource requirements.

The company generated cash from operations of $1.019 billion in 2013, compared to $1.120 billion in 2012. The decrease was primarily due to higher working capital requirements, partly offset by higher cash earnings.

The company generated cash from operations of $1.120 billion in 2012, compared to $1.142 billion in 2011. The decline was primarily due to lower cash earnings, partially offset by lower pension contributions in 2012.

Capital expenditures were $336 million in 2013 compared to $323 million a year ago. Capital expenditures are expected to total approximately $350 million in 2014. Capital expenditures in 2013 included the soup capacity expansion project for the North America Foodservice business (approximately $42 million), capacity expansion at Pepperidge Farm (approximately $38 million), the packing automation and capacity expansion projects at one of the company's Australian biscuit plants (approximately $19

million), the ongoing initiative to simplify the soup-making process in North America (also known as the soup common platform initiative) (approximately $20 million), and an advanced planning system in North America (approximately $11 million). Capital expenditures in 2012 included the packing automation and capacity expansion projects at one of the company's Australian biscuit plants (approximately $32 million), an advanced planning system in North America (approximately $14 million), capacity expansion at Pepperidge Farm (approximately $18 million), the ongoing initiative to simplify the soup-making process in North America (approximately $17 million), continued enhancement of the company's corporate headquarters (approximately $11 million), and Pepperidge Farm's 34,000-square-foot innovation center (approximately $20 million). Capital expenditures in 2011 included the expansion of beverage capacity (approximately $6 million); the ongoing implementation of SAP (approximately $13 million); expenditures at the company's corporate headquarters (approximately $6 million); Pepperidge Farm's new 34,000-square-foot innovation center (approximately $5 million); expansion of Pepperidge Farm's production capacity (approximately $5 million) and a number of infrastructure projects in the U.S. supply chain (approximately $31 million).

On August 6, 2012, the company completed the acquisition of Bolthouse Farms from a fund managed by Madison Dearborn Partners, LLC, a private equity firm, for $1.550 billion in cash, subject to customary purchase price adjustments. On August 6, 2012, the preliminary purchase price adjustments resulted in an increase in the purchase price of $20 million. In the third quarter, the purchase price adjustments were finalized and reduced to $11 million. The acquisition was funded through a combination of short- and long-term borrowings. The terms of long-term borrowings, which were issued on August 2, 2012, were as follows:

- $400 million floating rate notes that mature on August 1, 2014. Interest on the notes is based on 3-month U.S. dollar LIBOR plus 0.30%. Interest is payable quarterly and commenced on November 1, 2012;
- $450 million of 2.50% notes that mature on August 2, 2022. Interest is payable semi-annually and commenced on February 2, 2013. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption; and
- $400 million of 3.80% notes that mature on August 2, 2042. Interest is payable semi-annually and commenced on February 2, 2013. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption.

The remaining balance was funded through the issuance of commercial paper.

On June 13, 2013, the company completed the acquisition of Plum for $249 million, subject to customary purchase price adjustments. Plum is a leading provider of premium, organic foods and snacks that serve the nutritional needs of babies, toddlers and children. The acquisition provides the company with a new growth platform in the high-growth premium organic segment. The acquisition was funded through the issuance of commercial paper.

On August 8, 2013, the company completed the acquisition of Kelsen for approximately $325 million, subject to customary purchase price adjustments. Kelsen is a producer of quality baked snacks that are sold in 85 countries around the world. The acquisition was funded through the issuance of commercial paper.

Long-term borrowings in 2011 included the issuance in April of $500 million of 4.25% notes that mature in April 2021. The net proceeds from this issuance were used for the repayment of commercial paper borrowings and for other general corporate purposes.

Dividend payments were $367 million in 2013, $373 million in 2012, and $378 million in 2011. Annual dividends declared were $1.16 per share in 2013 and 2012, and $1.145 per share in 2011. The 2013 fourth quarter rate was $.29 per share.

Excluding shares owned and tendered by employees to satisfy tax withholding requirements on the vesting of restricted shares and for stock option exercises, the company repurchased approximately 4 million shares at a cost of $153 million during 2013. In June 2011, the company's Board of Directors authorized the purchase of up to $1 billion of company stock. Approximately $750 million remained available to repurchase shares under the company's June 2011 repurchase program as of July 28, 2013. This program has no expiration date. The company suspended purchases under this program in July 2012. In addition to the June 2011 publicly announced share repurchase program, the company also purchased shares to offset the impact of dilution from shares issued under the company's

stock compensation plans. The company expects to continue this practice in the future. See "Unregistered Sales of Equity Securities and Use of Proceeds" for more information.

Excluding shares owned and tendered by employees to satisfy tax withholding requirements on the vesting of restricted shares and for stock option exercises, the company repurchased approximately 13 million shares at a cost of $412 million during 2012. Approximately $250 million was used to repurchase shares pursuant to the company's June 2011 publicly announced share repurchase program. In addition to the June 2011 publicly announced share repurchase program, the company also purchased shares to offset the impact of dilution from shares issued under the company's stock compensation plans.

Excluding shares owned and tendered by employees to satisfy tax withholding requirements on the vesting of restricted shares and for stock option exercises, the company repurchased 21 million shares at a cost of $728 million during 2011. Approximately

$550 million was used to repurchase shares pursuant to the company's June 2008 publicly announced share repurchase program. Under this program, the company's Board of Directors authorized the purchase of up to $1.2 billion of company stock through the end of 2011. This program was completed in 2011. In addition to the June 2008 publicly announced share repurchase program, the company also purchased shares to offset the impact of dilution from shares issued under the company's stock compensation plans.

At July 28, 2013, the company had $1.909 billion of short-term borrowings due within one year and $40 million of standby letters of credit issued on behalf of the company. The company has committed revolving credit facilities totaling $2.0 billion, comprised of a $500 million facility and a $1.5 billion facility, both maturing in September 2016. These facilities remained unused at July 28, 2013, except for $3 million of standby letters of credit issued on behalf of the company. These revolving credit agreements support the company's commercial paper programs and other general corporate purposes. The company may also increase the commitments under the credit facilities up to an additional $1 billion, upon the agreement of either existing lenders or of additional banks not currently parties to the existing credit agreements.

In November 2011, the company filed a registration statement with the Securities and Exchange Commission that registered an indeterminate amount of debt securities. Under the registration statement, the company may issue debt securities, depending on market conditions.

The company is in compliance with the covenants contained in its revolving credit facilities and debt securities.

CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

Contractual Obligations

The following table summarizes the company's obligations and commitments to make future payments under certain contractual obligations as of July 28, 2013. For additional information on debt, see Note 13 to the Consolidated Financial Statements. Operating leases are primarily entered into for warehouse and office facilities and certain equipment. Purchase commitments represent purchase orders and long-term purchase arrangements related to the procurement of ingredients, supplies, machinery, equipment and services. These commitments are not expected to have a material impact on liquidity. Other long-term liabilities primarily represent payments related to deferred compensation obligations. For additional information on other long-term liabilities, see Note 18 to the Consolidated Financial Statements.

	Contractual Payments Due by Fiscal Year				
(Millions)	**Total**	**2014**	**2015 - 2016**	**2017 - 2018**	**Thereafter**
Debt obligations(1)	$ 4,462	1,908	302	402	1,850
Interest payments(2)	958	108	183	170	497
Derivative payments(3)	36	35	1	—	—
Purchase commitments(4)	1,110	687	202	88	133
Operating leases(4)	204	45	68	44	47
Other long-term payments(5)	177	—	50	41	86
Total long-term cash obligations	$ 6,947	$ 2,783	$ 806	$ 745	$ 2,613

(1) Excludes unamortized net discount/premium on debt issuances and amounts related to interest rate swaps designated as fair-value hedges. For additional information on debt obligations, see Note 13 to the Consolidated Financial Statements.

(2) Interest payments for short-term borrowings are calculated based on par values and rates of contractually obligated issuances at fiscal year end. Interest payments on long-term debt are based on principal amounts and fixed coupon rates at fiscal year end.

(3) Represents payments of cross-currency swaps, forward exchange contracts, commodity contracts, and deferred compensation hedges. Contractual payments for cross-currency swaps represent future discounted cash payments based on forward interest and spot foreign exchange rates.

(4) Includes purchase commitments of $44 million and operating leases of $27 million related to discontinued operations.

(5) Represents other long-term liabilities, excluding unrecognized tax benefits, postretirement benefits and payments related to pension plans. For additional information on pension and postretirement benefits, see Note 11 to the Consolidated Financial Statements.

Off-Balance Sheet Arrangements and Other Commitments

The company guarantees approximately 2,000 bank loans to Pepperidge Farm independent sales distributors by third-party financial institutions used to purchase distribution routes. The maximum potential amount of the future payments the company could be required to make under the guarantees is $165 million. The company's guarantees are indirectly secured by the distribution

routes. The company does not believe that it is probable that it will be required to make guarantee payments as a result of defaults on the bank loans guaranteed. See also Note 18 to the Consolidated Financial Statements for information on off-balance sheet arrangements.

INFLATION

In fiscal 2013, inflation in cost of goods sold was lower than fiscal 2012 and 2011. The company continues to use a number of strategies to mitigate the effects of cost inflation including increasing prices, commodity hedging and pursuing cost productivity initiatives such as global procurement strategies and capital investments that improve the efficiency of operations.

MARKET RISK SENSITIVITY

The principal market risks to which the company is exposed are changes in foreign currency exchange rates, interest rates and commodity prices. In addition, the company is exposed to equity price changes related to certain deferred compensation obligations. The company manages its exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps in order to maintain its variable-to-total debt ratio within targeted guidelines. International operations, which accounted for 23% of 2013 net sales from continuing operations, are concentrated principally in Australia and Canada. The company manages its foreign currency exposures by borrowing in various foreign currencies and utilizing cross-currency swaps and forward contracts. Cross-currency swaps and forward contracts are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into contracts for speculative purposes and does not use leveraged instruments.

The company principally uses a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. The company also enters into commodity futures, options and swap contracts to reduce the volatility of price fluctuations of diesel fuel, soybean oil, wheat, aluminum, natural gas, cocoa and corn, which impact the cost of raw materials.

The information below summarizes the company's market risks associated with debt obligations and other significant financial instruments as of July 28, 2013. Fair values included herein have been determined based on quoted market prices or pricing models using current market rates. The information presented below should be read in conjunction with Notes 13 through 15 to the Consolidated Financial Statements.

The table below presents principal cash flows and related interest rates by fiscal year of maturity for debt obligations. Interest rates disclosed on variable-rate debt represent the weighted-average rates at July 28, 2013. Notional amounts and related interest rates of interest rate swaps are presented by fiscal year of maturity. For the swaps, variable rates are the weighted-average forward rates for the term of each contract.

	Expected Fiscal Year of Maturity							
(Millions)	**2014**	**2015**	**2016**	**2017**	**2018**	**Thereafter**	**Total**	**Fair Value**
Debt[(1)]								
Fixed rate	$ 302	$ 301	$ 1	$ 401	$ 1	$ 1,850	$ 2,856	$ 2,900
Weighted-average interest rate	4.87%	3.37%	1.06%	3.05%	1.51%	4.27%	4.07%	
Variable rate[(2)]	$ 1,606						$ 1,606	$ 1,607
Weighted-average interest rate	0.45%						0.45%	

Interest Rate Swaps				
Fair-value swaps				
Fixed to variable	$ 200		$ 200	$ 1
Average pay rate	0.67%		0.67%	
Average receive rate	4.88%		4.88%	
Cash-flow swaps				
Variable to fixed		$ 250	$ 250	$ 23
Average pay rate		2.18%	2.18%	
Average receive rate		3.33%	3.33%	

(1) Excludes unamortized net premium/discount on debt issuances and amounts related to interest rate swaps designated as fair-value hedges.

(2) Represents $1.562 billion of USD borrowings and $44 million equivalent of borrowings in other currencies.

As of July 29, 2012, fixed-rate debt of approximately $2.4 billion with an average interest rate of 4.56% and variable-rate debt of approximately $382 million with an average interest rate of 0.72% were outstanding. As of July 29, 2012, the company had swapped $500 million of fixed-rate debt to variable. The average rate to be received on these swaps was 4.95%, and the average rate to be paid was estimated to be 1.05% over the remaining life of the swaps.

The company is exposed to foreign exchange risk related to its international operations, including non-functional currency intercompany debt and net investments in subsidiaries. The following table summarizes the cross-currency swaps outstanding as of July 28, 2013, which hedge such exposures. The notional amount of each currency and the related weighted-average forward interest rate are presented in the Cross-Currency Swaps table.

Cross-Currency Swaps

	Fiscal Year of Expiration	Interest Rate	Notional Value	Fair Value
			(Millions)	
Pay fixed CAD	2014	6.24%	$ 60	$ (22)
Receive fixed USD		5.66%		
Pay variable AUD	2014	1.45%	$ 37	$ —
Receive variable USD		0.24%		
Pay variable CAD	2014	0.69%	$ 34	$ (1)
Receive variable USD		0.23%		
Pay variable CAD	2014	0.77%	$ 83	$ —
Receive variable USD		0.24%		
Pay variable AUD	2015	2.19%	$ 55	$ —
Receive variable USD		0.52%		
Pay variable CAD	2015	1.21%	$ 42	$ —
Receive variable USD		0.46%		
Pay variable AUD	2016	2.85%	$ 72	$ (1)
Receive variable USD		0.95%		
Total			$ 383	$ (24)

The cross-currency swap contracts outstanding at July 29, 2012, represented four pay variable EUR/receive variable USD swaps with notional values totaling $241 million, four pay variable CAD/receive variable USD swaps with notional values totaling $210 million, four pay variable AUD/receive variable USD swaps with notional values totaling $325 million, and one pay fixed CAD/receive fixed USD swaps with a notional value totaling $60 million. The aggregate notional value of these swap contracts was $836 million as of July 29, 2012, and the aggregate fair value of these swap contracts was a loss of $60 million as of July 29, 2012.

The company is also exposed to foreign exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries, including subsidiary debt. The company utilizes foreign exchange forward purchase and sale contracts to hedge these exposures. The following table summarizes the foreign exchange forward contracts outstanding and the related weighted-average contract exchange rates as of July 28, 2013.

Forward Exchange Contracts

		Contract Amount	Average Contractual Exchange Rate (currency paid/ currency received)
		(Millions)	
Receive USD/Pay AUD	$	231	1.08
Receive USD/Pay EUR	$	225	0.76
Receive USD/Pay CAD	$	151	1.02
Receive AUD/Pay NZD	$	29	1.22

The company had an additional $5 million in a number of smaller contracts to purchase or sell various other currencies, such as the Swedish krona, British pound, and Australian dollar, as of July 28, 2013. The aggregate fair value of all contracts was a loss

of $2 million as of July 28, 2013. The total forward exchange contracts outstanding were $228 million, and the aggregate fair value was a gain of $2 million as of July 29, 2012.

The company enters into commodity futures and options contracts to reduce the volatility of price fluctuations for commodities. The notional value of these contracts was $105 million and the aggregate fair value of these contracts was a loss of $4 million as of July 28, 2013. The notional value of these contracts was $95 million, and the aggregate fair value of these contracts was a gain of $4 million as of July 29, 2012.

The company enters into swap contracts which hedge a portion of exposures relating to certain deferred compensation obligations linked to the total return of the company's capital stock, the total return of the Vanguard Institutional Index, the total return of the Vanguard Total International Stock Index, and during 2012, the total return of the Vanguard Short-Term Bond Index. Under these contracts, the company pays variable interest rates and receives from the counterparty either the total return on company capital stock; the total return of the Standard & Poor's 500 Index, which is expected to approximate the total return of the Vanguard Institutional Index; the total return of the iShares MSCI EAFE Index, which is expected to approximate the total return of the Vanguard Total International Stock Index; or the total return of the Vanguard Short-Term Bond Index. The notional value of the contract that is linked to the total return on company capital stock was $26 million at July 28, 2013 and July 29, 2012. The average forward interest rate applicable to this contract, which expires in 2014, was 0.60% at July 28, 2013. The notional value of the contract that is linked to the return on the Standard & Poor's 500 Index was $19 million at July 28, 2013 and $15 million at July 29, 2012. The average forward interest rate applicable to this contract, which expires in 2013, was 0.67% at July 28, 2013. The notional value of the contract that is linked to the total return of the iShares MSCI EAFE Index was $5 million at July 28, 2013 and $4 million at July 29, 2012. The average forward interest rate applicable to this contract, which expires in 2014, was 0.55% at July 28, 2013. The notional value of the contract that was linked to the return on the Vanguard Short-Term Bond Index was $30 million at July 29, 2012. The fair value of these contracts was a $2 million gain at July 28, 2013 and a $1 million gain at July 29, 2012.

The company's utilization of financial instruments in managing market risk exposures described above is consistent with the prior year. Changes in the portfolio of financial instruments are a function of the results of operations, debt repayment and debt issuances, market effects on debt and foreign currency, and the company's acquisition and divestiture activities.

SIGNIFICANT ACCOUNTING ESTIMATES

The consolidated financial statements of the company are prepared in conformity with accounting principles generally accepted in the United States. The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. See Note 1 to the Consolidated Financial Statements for a discussion of significant accounting policies. The following areas all require the use of subjective or complex judgments, estimates and assumptions:

Trade and consumer promotion programs — The company offers various sales incentive programs to customers and consumers, such as feature price discounts, in-store display incentives, cooperative advertising programs, new product introduction fees, and

coupons. The mix between promotion programs, which are classified as reductions in revenue, and advertising or other marketing activities, which are classified as marketing and selling expenses, fluctuates between periods based on the company's overall marketing plans, and such fluctuations have an impact on revenues. The measurement and recognition of the costs for trade and consumer promotion programs involves the use of judgment related to performance and redemption estimates. Estimates are made based on historical experience and other factors. Typically, programs that are offered have a very short duration. Historically, the difference between actual experience compared to estimated redemptions and performance has not been significant to the quarterly or annual financial statements. However, actual expenses may differ if the level of redemption rates and performance were to vary from estimates.

Valuation of long-lived assets — Fixed assets and amortizable intangible assets are reviewed for impairment as events or changes in circumstances occur indicating that the carrying value of the asset may not be recoverable. Undiscounted cash flow analyses are used to determine if an impairment exists. If an impairment is determined to exist, the loss is calculated based on estimated fair value.

Goodwill and intangible assets deemed to have indefinite lives are not amortized but rather are tested at least annually for impairment, or more often if events or changes in circumstances indicate that more likely than not the carrying amount of the asset may not be recoverable. Goodwill is tested for impairment at the reporting unit level. A reporting unit represents an operating segment or a component of an operating segment. Goodwill is tested for impairment by either performing a qualitative evaluation or a two-step quantitative test. The qualitative evaluation is an assessment of factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. The company may elect not to perform the qualitative assessment for some or all reporting units and perform a two-step quantitative impairment test. Fair value is determined based on discounted cash flow analyses. The discounted estimates of future cash flows include significant management assumptions such as revenue growth rates, operating margins, weighted average cost of capital, and future economic and market conditions. If the carrying value of the reporting unit exceeds fair value, goodwill is considered impaired. The amount of the

impairment is the difference between the carrying value of the goodwill and the "implied" fair value, which is calculated as if the reporting unit had just been acquired and accounted for as a business combination.

Indefinite-lived intangible assets are tested for impairment by comparing the fair value of the asset to the carrying value. Fair value is determined based on discounted cash flow analyses that include significant management assumptions such as revenue growth rates, weighted average cost of capital, and assumed royalty rates. If the fair value is less than the carrying value, the asset is reduced to fair value.

In the fourth quarter of 2013, as part of the company's annual review of intangible assets, an impairment charge of $360 million was recorded on goodwill and $36 million on trademarks for the simple meals business in Europe. The impairment was attributable to a combination of factors, including the existence of a firm offer to purchase the business; a revised future outlook for the business, with reduced expectations for future sales and discounted cash flows, given the economic uncertainty in the region; future investments required to maintain performance; and management's assumptions on the weighted average cost of capital.

On August 12, 2013, the company announced that it was in final and exclusive negotiations for the potential sale of this business. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment. The assets and liabilities have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013.

As of July 28, 2013, the carrying value of goodwill was $2.407 billion, of which $110 million relates to the European simple meals business and has been included in assets held for sale. Prior to the impairment charge in 2013, the company had not recognized any impairment of goodwill as a result of annual testing, which began in 2003. As of the 2013 measurement, the estimated fair value of each reporting unit of continuing operations exceeded the carrying value by at least 40%, excluding the 2013 acquisitions. Holding all other assumptions used in the 2013 fair value measurement constant, a 100-basis-point increase in the weighted average cost of capital would not result in the carrying value of any reporting unit to be in excess of the fair value. As of July 28, 2013, goodwill related to the acquisition of Bolthouse Farms and Plum was $692 million and $128 million, respectively. Within Bolthouse, the fair value exceeded the carrying value by at least 15%. Because the Plum acquisition closed on June 13, 2013, the carrying value represents fair value.

As of July 28, 2013, the carrying value of trademarks was $960 million, of which $150 million relates to the European simple meals business and has been included in assets held for sale. Holding all other assumptions used in the 2013 measurement constant, a 100-basis-point increase in the weighted average cost of capital would reduce the fair value of trademarks of continuing operations, excluding the 2013 acquisitions, but would not result in an impairment charge. As of July 28, 2013, trademarks related to the acquisition of Bolthouse Farms and Plum were $383 million and $115 million, respectively.

In 2012, as part of the company's annual review of intangible assets, an impairment charge of $3 million was recognized related to a trademark used in the European simple meals business, formerly included in the International Simple Meals and Beverages segment. The trademark was determined to be impaired as a result of a decrease in the fair value of the brand, resulting from reduced expectations for future sales and discounted cash flows in comparison to the prior year.

The estimates of future cash flows involve considerable management judgment and are based upon assumptions about expected future operating performance, economic conditions, market conditions, and cost of capital. Inherent in estimating the future cash flows are uncertainties beyond the company's control, such as capital markets. The actual cash flows could differ materially from management's estimates due to changes in business conditions, operating performance, and economic conditions.

See also Note 6 to the Consolidated Financial Statements for additional information on goodwill and intangible assets.

Pension and postretirement benefits — The company provides certain pension and postretirement benefits to employees and retirees. Determining the cost associated with such benefits is dependent on various actuarial assumptions, including discount rates, expected return on plan assets, compensation increases, turnover rates and health care trend rates. Independent actuaries, in accordance with accounting principles generally accepted in the United States, perform the required calculations to determine expense. Actual results that differ from the actuarial assumptions are generally accumulated and amortized over future periods.

The discount rate is established as of the company's fiscal year-end measurement date. In establishing the discount rate, the company reviews published market indices of high-quality debt securities, adjusted as appropriate for duration. In addition, independent actuaries apply high-quality bond yield curves to the expected benefit payments of the plans. The expected return on plan assets is a long-term assumption based upon historical experience and expected future performance, considering the company's current and projected investment mix. This estimate is based on an estimate of future inflation, long-term projected real returns for each asset class, and a premium for active management. Within any given fiscal period, significant differences may arise between the actual return and the expected return on plan assets. The value of plan assets, used in the calculation of pension expense, is determined on a

calculated method that recognizes 20% of the difference between the actual fair value of assets and the expected calculated method. Gains and losses resulting from differences between actual experience and the assumptions are

determined at each measurement date. If the net gain or loss exceeds 10% of the greater of plan assets or liabilities, a portion is amortized into earnings in the following year.

Net periodic pension and postretirement expense was $130 million in 2013, $102 million in 2012, and $98 million in 2011.

Significant weighted-average assumptions as of the end of the year were as follows:

	2013	2012	2011
Pension			
Discount rate for benefit obligations	**4.82%**	4.05%	5.41%
Expected return on plan assets	**7.65%**	7.65%	7.90%
Postretirement			
Discount rate for obligations	**4.50%**	3.75%	5.00%
Initial health care trend rate	**8.25%**	8.25%	8.25%
Ultimate health care trend rate	**4.50%**	4.50%	4.50%

Estimated sensitivities to annual net periodic pension cost are as follows: a 50-basis-point reduction in the discount rate would increase expense by approximately $14 million; a 50-basis-point reduction in the estimated return on assets assumption would increase expense by approximately $12 million. A one-percentage-point increase in assumed health care costs would increase postretirement service and interest cost by approximately $1 million.

Net periodic pension and postretirement expense is expected to decrease to approximately $90 million in 2014 primarily due to decreased amortization of unrecognized losses as a result of an increase in the discount rate.

The company contributed $75 million, $55 million, and $100 million, respectively, to U.S. pension plans in 2013, 2012, and 2011. Contributions to non-U.S. plans were $12 million in 2013, $16 million in 2012, and $44 million in 2011. The company contributed $35 million to U.S. plans in the first quarter of 2014. Additional contributions to U.S. plans are not expected in 2014. Contributions to non-U.S. plans are expected to be approximately $18 million in 2014.

See also Note 11 to the Consolidated Financial Statements for additional information on pension and postretirement expenses.

Income taxes — The effective tax rate reflects statutory tax rates, tax planning opportunities available in the various jurisdictions in which the company operates and management's estimate of the ultimate outcome of various tax audits and issues. Significant judgment is required in determining the effective tax rate and in evaluating tax positions. Income taxes are recorded based on amounts refundable or payable in the current year and include the effect of deferred taxes. Deferred tax assets and liabilities are recognized for the future impact of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled. Valuation allowances are established for deferred tax assets when it is more likely than not that a tax benefit will not be realized.

See also Notes 1 and 12 to the Consolidated Financial Statements for further discussion on income taxes.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2 to the Consolidated Financial Statements for information on recent accounting pronouncements.

CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

This Report contains "forward-looking" statements that reflect the company's current expectations regarding future results of operations, economic performance, financial condition and achievements of the company. The company tries, wherever possible, to identify these forward-looking statements by using words such as "anticipate," "believe," "estimate," "expect," "will" and similar expressions. One can also identify them by the fact that they do not relate strictly to historical or current facts. These statements reflect the company's current plans and expectations and are based on information currently available to it. They rely on a number of assumptions regarding future events and estimates which could be inaccurate and which are inherently subject to risks and uncertainties.

The company wishes to caution the reader that the following important factors and those important factors described in Part 1, Item 1A and elsewhere in this Report, or in other Securities and Exchange Commission filings of the company, could affect the company's

actual results and could cause such results to vary materially from those expressed in any forward-looking statements made by, or on behalf of, the company:

- the impact of strong competitive response to the company's efforts to leverage its brand power with product innovation, promotional programs and new advertising, and of changes in consumer demand for the company's products;

- the risks in the marketplace associated with trade and consumer acceptance of product improvements, shelving initiatives, new products, and pricing and promotional strategies;
- the company's ability to achieve sales and earnings guidance, which is based on assumptions about sales volume, product mix, the development and success of new products, the impact of marketing, promotional and pricing actions, product costs and currency;
- the company's ability to realize projected cost savings and benefits, including restructuring initiatives;
- the company's ability to successfully manage changes to its business processes, including selling, distribution, manufacturing and information management systems;
- the practices and increased significance of certain of the company's key customers;
- the impact of inventory management practices by the company's customers;
- the impact of fluctuations in the supply of and inflation in energy, raw and packaging materials cost;
- the impact associated with completing and integrating acquisitions, divestitures and other portfolio changes;
- the uncertainties of litigation described from time to time in the company's Securities and Exchange Commission filings;
- the impact of changes in currency exchange rates, tax rates, interest rates, debt and equity markets, inflation rates, economic conditions and other external factors; and
- the impact of unforeseen business disruptions in one or more of the company's markets due to political instability, civil disobedience, armed hostilities, natural disasters or other calamities.

This discussion of uncertainties is by no means exhaustive but is designed to highlight important factors that may impact the company's outlook. The company disclaims any obligation or intent to update forward-looking statements made by the company in order to reflect new information, events or circumstances after the date they are made.

Item 7A. ***Quantitative and Qualitative Disclosure About Market Risk***

The information presented in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations — Market Risk Sensitivity" is incorporated herein by reference.

Item 8. ***Financial Statements and Supplementary Data***

CAMPBELL SOUP COMPANY
Consolidated Statements of Earnings
(millions, except per share amounts)

	2013	2012	2011
Net sales	**$ 8,052**	$ 7,175	$ 7,143
Costs and expenses			
Cost of products sold	**5,140**	4,365	4,255
Marketing and selling expenses	**947**	941	909
Administrative expenses	**677**	580	577
Research and development expenses	**128**	116	120
Other expenses / (income)	**29**	11	10
Restructuring charges	**51**	7	60
Total costs and expenses	**6,972**	6,020	5,931
Earnings before interest and taxes	**1,080**	1,155	1,212
Interest expense	**135**	114	122
Interest income	**10**	8	10
Earnings before taxes	**955**	1,049	1,100
Taxes on earnings	**275**	325	351
Earnings from continuing operations	**680**	724	749
Earnings (loss) from discontinued operations	**(231)**	40	53
Net earnings	**449**	764	802
Less: Net earnings (loss) attributable to noncontrolling interests	**(9)**	(10)	(3)
Net earnings attributable to Campbell Soup Company	**$ 458**	$ 774	$ 805
Per Share — Basic			
Earnings from continuing operations	**$ 2.19**	$ 2.30	$ 2.28
Earnings (loss) from discontinued operations	**(0.74)**	0.12	0.16
Net earnings attributable to Campbell Soup Company	**$ 1.46**	$ 2.43	$ 2.44
Weighted average shares outstanding — basic	**314**	317	326
Per Share — Assuming Dilution			
Earnings from continuing operations	**$ 2.17**	$ 2.29	$ 2.26
Earnings (loss) from discontinued operations	**(0.73)**	0.12	0.16
Net earnings attributable to Campbell Soup Company	**$ 1.44**	$ 2.41	$ 2.42
Weighted average shares outstanding — assuming dilution	**317**	319	329

The sum of the individual per share amounts may not add due to rounding.

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Comprehensive Income
(millions)

	2013			2012			2011		
	Pre-tax amount	**Tax (expense) benefit**	**After-tax amount**	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
Net earnings			**$ 449**			$ 764			$ 802
Other comprehensive income (loss):									
Foreign currency translation adjustments	**$ (95)**	**$ 3**	**(92)**	$ (127)	$ (8)	(135)	$ 269	$ (5)	264
Cash-flow hedges:									
Unrealized gains (losses) arising during the period	**20**	**(8)**	**12**	15	(5)	10	(12)	4	(8)
Reclassification adjustment for (gains) losses included in net earnings	**4**	**(1)**	**3**	—	—	—	9	(3)	6
Pension and other postretirement benefits:									
Net actuarial gain (loss) arising during the period	**322**	**(103)**	**219**	(428)	151	(277)	—	—	—
Reclassification of prior service credit included in net earnings	**(2)**	**—**	**(2)**	(1)	—	(1)	—	—	—
Reclassification of net actuarial loss included in net earnings	**124**	**(54)**	**70**	83	(29)	54	77	(30)	47
Other comprehensive income (loss)	**$ 373**	**$ (163)**	**$ 210**	$ (458)	$ 109	$ (349)	$ 343	$ (34)	$ 309
Total comprehensive income (loss)			**659**			415			1,111
Total comprehensive income (loss) attributable to noncontrolling interests			**(10)**			(10)			(3)
Total comprehensive income (loss) attributable to Campbell Soup Company			**$ 669**			$ 425			$ 1,114

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Balance Sheets
(millions, except per share amounts)

	July 28, 2013	July 29, 2012
Current assets		
Cash and cash equivalents	**$ 333**	$ 335
Accounts receivable, net	**635**	553

Inventories		**925**		714
Other current assets		**135**		169
Current assets held for sale		**193**		—
Total current assets		**2,221**		1,771
Plant assets, net of depreciation		**2,260**		2,127
Goodwill		**2,297**		2,013
Other intangible assets, net of amortization		**1,021**		496
Other assets		**131**		123
Noncurrent assets held for sale		**393**		—
Total assets	**$**	**8,323**	$	6,530
Current liabilities				
Short-term borrowings	**$**	**1,909**	$	786
Payable to suppliers and others		**523**		571
Accrued liabilities		**617**		598
Dividend payable		**100**		93
Accrued income taxes		**19**		22
Current liabilities held for sale		**114**		—
Total current liabilities		**3,282**		2,070
Long-term debt		**2,544**		2,004
Deferred taxes		**489**		298
Other liabilities		**776**		1,260
Noncurrent liabilities held for sale		**22**		—
Total liabilities		**7,113**		5,632
Commitments and contingencies				
Campbell Soup Company shareowners' equity				
Preferred stock; authorized 40 shares; none issued		**—**		—
Capital stock, $.0375 par value; authorized 560 shares; issued 323 shares as of July 28, 2013 and 542 as of July 29, 2012		**12**		20
Additional paid-in capital		**362**		329
Earnings retained in the business		**1,772**		9,584
Capital stock in treasury, at cost		**(364)**		(8,259)
Accumulated other comprehensive loss		**(565)**		(776)
Total Campbell Soup Company shareowners' equity		**1,217**		898
Noncontrolling interests		**(7)**		—
Total equity		**1,210**		898
Total liabilities and equity	**$**	**8,323**	$	6,530

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Cash Flows
(millions)

		2013		2012		2011
Cash flows from operating activities:						
Net earnings	**$**	**449**	$	764	$	802
Adjustments to reconcile net earnings to operating cash flow						

Impairment charge	**396**	—	—
Restructuring charges	**51**	10	63
Stock-based compensation	**113**	79	87
Depreciation and amortization	**407**	262	268
Deferred income taxes	**(171)**	45	46
Other, net	**155**	118	108
Changes in working capital			
Accounts receivable	**(48)**	(18)	(15)
Inventories	**(146)**	32	(14)
Prepaid assets	**5**	(3)	19
Accounts payable and accrued liabilities	**(69)**	(19)	(26)
Pension fund contributions	**(87)**	(71)	(144)
Receipts from hedging activities	**22**	7	3
Other	**(58)**	(86)	(55)
Net cash provided by operating activities	**1,019**	1,120	1,142
Cash flows from investing activities:			
Purchases of plant assets	**(336)**	(323)	(272)
Sales of plant assets	**5**	1	9
Businesses acquired, net of cash acquired	**(1,806)**	—	—
Other, net	**(17)**	(1)	2
Net cash used in investing activities	**(2,154)**	(323)	(261)
Cash flows from financing activities:			
Net short-term borrowings (repayments)	**825**	(257)	495
Long-term borrowings	**1,250**	—	500
Repayments of notes payable	**(400)**	—	(700)
Dividends paid	**(367)**	(373)	(378)
Treasury stock purchases	**(153)**	(412)	(728)
Treasury stock issuances	**83**	112	96
Excess tax benefits on stock-based compensation	**12**	8	11
Contribution from noncontrolling interest	**3**	2	10
Other, net	**(16)**	—	(6)
Net cash provided by (used in) financing activities	**1,237**	(920)	(700)
Effect of exchange rate changes on cash	**(36)**	(26)	49
Net change in cash and cash equivalents	**66**	(149)	230
Cash and cash equivalents — beginning of period	**335**	484	254
Cash balance of discontinued operations — end of period	**(68)**	—	—
Cash and cash equivalents — end of period	**$ 333**	$ 335	$ 484

See accompanying Notes to Consolidated Financial Statements.

CAMPBELL SOUP COMPANY
Consolidated Statements of Equity
(millions, except per share amounts)

Campbell Soup Company Shareowners' Equity

	Capital Stock								
	Issued		In Treasury						
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Earnings Retained in the Business	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total Equity
Balance at August 1, 2010	542	$ 20	(206)	$ (7,459)	$ 341	$ 8,760	$ (736)	$ 3	$ 929
Contribution from noncontrolling interests								8	8
Net earnings (loss)						805		(3)	802
Other comprehensive income (loss)							309		309
Dividends ($1.145 per share)						(380)		—	(380)
Treasury stock purchased			(21)	(728)					(728)
Treasury stock issued under management incentive and stock option plans			5	166	(10)				156
Balance at July 31, 2011	542	20	(222)	(8,021)	331	9,185	(427)	8	1,096
Contribution from noncontrolling interests								2	2
Net earnings (loss)						774		(10)	764
Other comprehensive income (loss)							(349)	—	(349)
Dividends ($1.16 per share)						(375)			(375)
Treasury stock purchased			(13)	(412)					(412)
Treasury stock issued under management incentive and stock option plans			5	174	(2)				172
Balance at July 29, 2012	542	20	(230)	(8,259)	329	9,584	(776)	—	898
Contribution from noncontrolling interests								**3**	**3**
Net earnings (loss)						**458**		**(9)**	**449**
Other comprehensive income (loss)							**211**	**(1)**	**210**
Dividends ($1.16 per share)						**(371)**			**(371)**
Treasury stock purchased			**(4)**	**(153)**					**(153)**
Treasury stock retired	**(219)**	**(8)**	**219**	**7,907**		**(7,899)**			**—**
Treasury stock issued under management incentive and stock option plans			**4**	**141**	**33**				**174**
Balance at July 28, 2013	**323**	**$ 12**	**(11)**	**$ (364)**	**$ 362**	**$ 1,772**	**$ (565)**	**$ (7)**	**$ 1,210**

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements
(currency in millions, except per share amounts)

1. Summary of Significant Accounting Policies

Campbell Soup Company, together with its subsidiaries (the company), is a manufacturer and marketer of high-quality, branded convenience food products.

Basis of Presentation — The consolidated financial statements include the accounts of the company and entities in which the company maintains a controlling financial interest. Intercompany transactions are eliminated in consolidation. Certain amounts in prior-year financial statements were reclassified to conform to the current-year presentation. The company's fiscal year ends on the Sunday nearest July 31. There were 52 weeks in 2013, 2012, and 2011. There will be 53 weeks in 2014.

On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The European business includes *Erasco* and *Heisse Tasse* soups in Germany; *Liebig* and *Royco* soups in France; *Devos Lemmens* mayonnaise and cold sauces and *Royco* soups in Belgium; and *Blå Band* and *Isomitta* soups and sauces in Sweden. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013. See Note 4 for additional information.

Use of Estimates — Generally accepted accounting principles require management to make estimates and assumptions that affect assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

Revenue Recognition — Revenues are recognized when the earnings process is complete. This occurs when products are shipped in accordance with terms of agreements, title and risk of loss transfer to customers, collection is probable and pricing is fixed or determinable. Revenues are recognized net of provisions for returns, discounts and allowances. Certain sales promotion expenses, such as feature price discounts, in-store display incentives, cooperative advertising programs, new product introduction fees and coupon redemption costs, are classified as a reduction of sales. The recognition of costs for promotion programs involves the use of judgment related to performance and redemption estimates. Estimates are made based on historical experience and other factors. Costs are recognized either upon sale or when the incentive is offered, based on the program. Revenues are presented on a net basis for arrangements under which suppliers perform certain additional services.

Cash and Cash Equivalents — All highly liquid debt instruments purchased with a maturity of three months or less are classified as cash equivalents.

Inventories — All inventories are valued at the lower of average cost or market.

Property, Plant and Equipment — Property, plant and equipment are recorded at historical cost and are depreciated over estimated useful lives using the straight-line method. Buildings and machinery and equipment are depreciated over periods not exceeding 45 years and 20 years, respectively. Assets are evaluated for impairment when conditions indicate that the carrying value may not be recoverable. Such conditions include significant adverse changes in business climate or a plan of disposal. Repairs and maintenance are charged to expense as incurred.

Goodwill and Intangible Assets — Goodwill and intangible assets deemed to have indefinite lives are not amortized but rather are tested at least annually for impairment, or when circumstances indicate that the carrying amount of the asset may not be recoverable. Goodwill is tested for impairment at the reporting unit level. A reporting unit is an operating segment or a component of an operating segment. Goodwill is tested for impairment by either performing a qualitative evaluation or a two-step quantitative test. The qualitative evaluation is an assessment of factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. The company may elect not to perform the qualitative assessment for some or all reporting units and perform a two-step quantitative impairment test. Fair value is determined based on discounted cash flow analyses. The discounted estimates of future cash flows include significant management assumptions such as revenue growth rates, operating margins, weighted average cost of capital, and future economic and market conditions. If the carrying value of the reporting unit exceeds fair value, goodwill is considered impaired. The amount of the impairment is the difference between the carrying value of the goodwill and the "implied" fair value, which is calculated as if the reporting unit had just been acquired and accounted for as a business combination.

Indefinite-lived intangible assets are tested for impairment by comparing the fair value of the asset to the carrying value. Fair value is determined based on discounted cash flow analyses that include significant management assumptions such as revenue growth rates, weighted average cost of capital, and assumed royalty rates. If the fair value is less than the carrying value, the asset is reduced to fair value.

See Note 6 for information on intangible assets and an impairment charge recognized in 2013.

Derivative Financial Instruments — The company uses derivative financial instruments primarily for purposes of hedging exposures to fluctuations in foreign currency exchange rates, interest rates, commodities and equity-linked employee benefit obligations. These derivative contracts are entered into for periods consistent with the related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into derivative contracts for speculative purposes and does not use leveraged instruments. The company's derivative programs include strategies that qualify and strategies that do not qualify for hedge accounting treatment. To qualify for hedge accounting, the hedging relationship, both at inception of the hedge and on an ongoing basis, is expected to be highly effective in achieving offsetting changes in the fair value of the hedged risk during the period that the hedge is designated.

All derivatives are recognized on the balance sheet at fair value. For derivatives that qualify for hedge accounting, on the date the derivative contract is entered into, the company designates the derivative as a hedge of the fair value of a recognized asset or liability or a firm commitment (fair-value hedge), a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (cash-flow hedge), or a hedge of a net investment in a foreign operation. Some derivatives may also be considered natural hedging instruments (changes in fair value act as economic offsets to changes in fair value of the underlying hedged item) and are not designated for hedge accounting.

Changes in the fair value of a fair-value hedge, along with the gain or loss on the underlying hedged asset or liability (including losses or gains on firm commitments), are recorded in current-period earnings. The effective portion of gains and losses on cash-flow hedges are recorded in other comprehensive income (loss), until earnings are affected by the variability of cash flows. If the hedge is no longer effective, all changes in the fair value of the derivative are included in earnings each period until the instrument matures. If a derivative is used as a hedge of a net investment in a foreign operation, its changes in fair value, to the extent effective as a hedge, are recorded in other comprehensive income (loss). Any ineffective portion of designated hedges is recognized in current-period earnings. Changes in the fair value of derivatives that are not designated for hedge accounting are recognized in current-period earnings.

Cash flows from derivative contracts are included in Net cash provided by operating activities.

Advertising Production Costs — Advertising production costs are expensed in the period that the advertisement first takes place or when a decision is made not to use an advertisement.

Research and Development Costs — The costs of research and development are expensed as incurred. Costs include expenditures for new product and manufacturing process innovation, and improvements to existing products and processes. Costs primarily consist of salaries, wages, consulting, and depreciation and maintenance of research facilities and equipment.

Income Taxes — Deferred tax assets and liabilities are recognized for the future impact of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, as well as for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized.

2. Recent Accounting Pronouncements

In June 2011, the Financial Accounting Standards Board (FASB) issued authoritative guidance requiring entities to present net income and other comprehensive income (OCI) in one continuous statement or two separate, but consecutive, statements of net income and comprehensive income. The option to present items of OCI in the statement of changes in equity has been eliminated. In December 2011, the FASB issued an amendment to defer a requirement in the June 2011 standard that called for reclassification adjustments from accumulated other comprehensive income (AOCI) to be measured and presented by income statement line item in net income and also in OCI. The requirements are effective for annual reporting periods beginning after December 15, 2011, and for interim reporting periods within those years. The company adopted the guidance in the first quarter of 2013. The adoption impacted the presentation of financial statements but did not have an impact on the company's consolidated financial statements.

In February 2013, the FASB finalized the requirements related to reclassification adjustments from AOCI. The new standard requires that companies present either in a single note or parenthetically on the face of the financial statements, the effect of significant amounts reclassified from each component of AOCI. If a component is not required to be reclassified to net income in its entirety, the guidance requires a cross-reference to other disclosures that provide additional information. The company adopted the guidance in the third quarter of 2013. The adoption resulted in additional disclosures but did not have an impact on the company's consolidated financial statements.

In December 2011, the FASB issued guidance related to disclosures about offsetting (netting) of assets and liabilities in the statement of financial position. The guidance requires entities to disclose gross information and net information about both instruments and transactions that are offset in the statement of financial position, and instruments and transactions subject to an agreement similar to a master netting arrangement. The scope includes financial instruments and derivative instruments. In January 2013, the FASB issued an amendment to the guidance to limit the scope of the new balance sheet offsetting disclosures to derivatives,

repurchase agreements, and securities lending transactions to the extent that they are offset in the financial statements or subject to an enforceable master netting arrangement or similar arrangement. The disclosures are required for fiscal years and interim periods within those years beginning on or after January 1, 2013. Disclosures required under the guidance will be provided for all comparative periods presented. The adoption will impact disclosures but will not have a material impact on the company's consolidated financial statements.

In July 2012, the FASB issued revised guidance intended to simplify how an entity tests indefinite-lived intangible assets for impairment. The amendments will allow an entity first to assess qualitative factors to determine whether it is necessary to perform a quantitative impairment test. An entity will no longer be required to calculate the fair value of an indefinite-lived intangible asset and perform the quantitative test unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. The amendments are effective for annual and interim indefinite-lived intangible asset impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted. The company does not expect the adoption to have a material impact on the company's consolidated financial statements.

In February 2013, the FASB issued guidance for the recognition, measurement, and disclosure of certain obligations resulting from joint and several liability arrangements for which the total amount is fixed. Such obligations may include debt arrangements, legal settlements, and other contractual arrangements. The guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2013 and should be applied retrospectively to all prior periods presented for those obligations within scope that existed as of the beginning of the fiscal year of adoption. Early adoption is permitted. The company is currently evaluating the new guidance.

In March 2013, the FASB issued guidance on the accounting for the cumulative translation adjustment upon derecognition of certain subsidiaries or groups of assets within a foreign entity or of an investment in a foreign entity. The guidance is effective prospectively for fiscal years and interim periods within those fiscal years beginning after December 15, 2013. Early adoption is permitted. The company will prospectively apply the guidance to applicable transactions.

In July 2013, the FASB issued guidance which permits an entity to designate the Fed Funds Effective Swap Rate, also referred to as the overnight index swap rate, as a benchmark interest rate in a hedge accounting relationship. In addition, the guidance removes the restriction on using different benchmark interest rates for similar hedges. The guidance was effective in July 2013. The company will prospectively apply the guidance to applicable transactions.

In July 2013, the FASB issued guidance on the presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. The guidance requires the netting of unrecognized tax benefits (UTBs) against a deferred tax asset for a loss or other carryforward that would apply in settlement of uncertain tax positions. Under the new standard, UTBs will be netted against all available same-jurisdiction loss or other tax carryforwards that would be utilized, rather than only against carryforwards that are created by the UTBs. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2013, and should be applied prospectively to all UTBs that exist at the effective date. Retrospective application is permitted. The company is currently evaluating the new guidance.

3. Acquisitions

On August 6, 2012, the company completed the acquisition of Bolthouse Farms from a fund managed by Madison Dearborn Partners, LLC, a private equity firm, for $1,550 in cash, subject to customary purchase price adjustments. On August 6, 2012, the preliminary purchase price adjustments resulted in an increase in the purchase price of $20. In the third quarter, the purchase price adjustments were finalized and reduced to $11. The company funded the acquisition through a combination of short- and long-term borrowings. Bolthouse Farms is a vertically integrated food and beverage company focused on developing, manufacturing and marketing fresh carrots and proprietary, high value-added healthy products.

The company incurred transaction costs of $10 ($7 after tax) in the first quarter of 2013 and $5 ($3 after tax) during the fourth quarter of 2012. The costs were recorded in Other expenses/(income).

The acquisition of Bolthouse Farms contributed $756 to Net sales and resulted in an increase of $18 to Net earnings from August 6, 2012 through July 28, 2013. Net earnings reflect the transaction costs incurred in 2013, additional interest expense on the debt issued to finance the purchase, amortization and depreciation expense based on the estimated fair value and useful lives of intangible assets, plant assets, and related tax effects.

The excess of the purchase price over the estimated fair values of the identifiable assets was recorded as $692 of goodwill. Of this amount, $284 is expected to be deductible for tax purposes. The goodwill was primarily attributable to future growth opportunities and any intangible assets that did not qualify for separate recognition. The goodwill is included in the Bolthouse and Foodservice segment.

On June 13, 2013, the company completed the acquisition of Plum for $249, subject to customary purchase price adjustments. Plum is a leading provider of premium, organic foods and snacks that serve the nutritional needs of babies, toddlers and children. The acquisition provides the company with an attractive platform to extend its core categories of simple meals, snacks and beverages and enhances the company's access to a new generation of consumers.

The acquisition of Plum contributed $14 to Net sales and resulted in a decrease of $2 to Net earnings from June 14, 2013 through July 28, 2013.

The excess of the purchase price over the estimated fair values of the identifiable assets was recorded as $128 of goodwill. The goodwill is not expected to be deductible for tax purposes. The goodwill was primarily attributable to future growth opportunities and any intangible assets that did not qualify for separate recognition. The goodwill is included in the U.S. Simple Meals segment. The purchase price allocation is preliminary and is subject to the finalization of appraisals, which will be completed in 2014.

The acquired assets and assumed liabilities for both acquisitions include the following:

	Bolthouse Farms	Plum
Cash	$ 3	$ 1
Accounts receivable	74	15
Inventories	122	20
Other current assets	8	1
Plant assets	335	2
Goodwill	692	128
Other intangible assets	580	133
Other assets	8	—
Short-term debt	(1)	—
Accounts payable	(59)	(12)
Accrued liabilities	(29)	(5)
Long-term debt	(1)	—
Deferred income taxes	(156)	(34)
Other liabilities	(15)	—
Total assets acquired and liabilities assumed	$ 1,561	$ 249

The fair value of identifiable intangible assets is as follows:

	Bolthouse Farms		
	Type	Life in Years	Value
Trademarks	Non-amortizable	Indefinite	$ 383
Customer relationships	Amortizable	20	132
Distributor relationship	Amortizable	7	2
Technology and patents	Amortizable	9 to 17	43
Formula and recipes	Amortizable	5	20
Total identifiable assets			$ 580

The identifiable intangible assets of Plum consist of $115 in non-amortizable trademarks and $18 in customer relationships to be amortized over 15 years.

The following unaudited summary information is presented on a consolidated pro forma basis as if both of the acquisitions had occurred on August 1, 2011.

	2013	2012
Net sales	**$ 8,140**	$ 7,941
Earnings from continuing operations attributable to Campbell Soup Company	**$ 680**	$ 711
Earnings per share from continuing operations attributable to Campbell Soup Company	**$ 2.15**	$ 2.22

The pro forma amounts include transaction costs, additional interest expense on the debt issued to finance the purchases, amortization and depreciation expense based on the estimated fair value and useful lives of intangible assets, plant assets, and

related tax effects. The pro forma results are not necessarily indicative of the combined results had the acquisitions been completed at August 1, 2011, nor are they indicative of future combined results.

On August 8, 2013, the company completed the acquisition of Kelsen. See also Note 21 for additional information.

4. Discontinued Operations

After receiving an unsolicited offer for its European simple meals business, the company re-evaluated the recent trends, the strategic priority and the long-term financial outlook for that business. The company then pursued discussions that led to finalizing the terms of a potential sale of the business to a third party in the fourth quarter. On August 12, 2013, the company announced that it is in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The European business includes *Erasco* and *Heisse Tasse* soups in Germany; *Liebig* and *Royco* soups in France; *Devos Lemmens* mayonnaise and cold sauces and *Royco* soups in Belgium; and *Blå Band* and *Isomitta* soups and sauces in Sweden.

The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment.

Results of discontinued operations were as follows:

	2013	2012	2011
Net sales	**$ 532**	$ 532	$ 576
Earnings (loss) before taxes	**$ (331)**	$ 57	$ 68
Taxes on earnings	**100**	(17)	(15)
Earnings (loss) from discontinued operations	**$ (231)**	$ 40	$ 53

In the fourth quarter of 2013, the company recorded an impairment charge on the intangible assets of this business of $396 ($263 after tax or $.83 per share). In addition, the company recorded $18 in tax expense ($.06 per share) representing taxes on the difference between the book value and tax basis of the business. See Note 6 for additional information on the impairment charge.

The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013, and are comprised of the following:

	2013
Cash	$ 68
Accounts receivable	54
Inventories	68
Prepaid Expenses	3
Current assets	$ 193
Plant assets	$ 98
Goodwill	110
Intangible assets	150
Other assets	35
Non-current assets	$ 393
Accounts payable	$ 60
Accrued liabilities	54
Current Liabilities	$ 114

Non-current pension obligation	$ 11
Other liabilities	11
Non-current liabilities	$ 22

5. Accumulated Other Comprehensive Income (Loss)

The components of Accumulated other comprehensive income (loss) consisted of the following:

	Foreign Currency Translation Adjustment [1]	Gains (Losses) on Cash Flow Hedges [2]	Pension and Postretirement Benefit Plan Adjustments [3]	Total Accumulated Comprehensive Income (Loss)
Balance at July 31, 2011	$ 396	$ (20)	$ (803)	$ (427)
Other comprehensive income (loss) before reclassifications	(135)	10	(277)	$ (402)
Amounts reclassified from accumulated other comprehensive income	—	—	53	$ 53
Net current-period other comprehensive income	(135)	10	(224)	$ (349)
Balance at July 29, 2012	$ 261	$ (10)	$ (1,027)	$ (776)
Other comprehensive income (loss) before reclassifications	**$ (91)**	**12**	**219**	**140**
Amounts reclassified from accumulated other comprehensive income	**—**	**3**	**68**	**71**
Net current-period other comprehensive income	**(91)**	**15**	**287**	**211**
Balance at July 28, 2013	**$ 170**	**$ 5**	**$ (740)**	**$ (565)**

(1) Included a tax expense of $9 as of July 28, 2013, $12 as of July 29, 2012, and $4 as of July 31, 2011. Amounts related to noncontrolling interests were not material.
(2) Included a tax expense of $3 as of July 28, 2013, and a tax benefit of $6 as of July 29, 2012 and $11 as of July 31, 2011.
(3) Included a tax benefit of $424 as of July 28, 2013, $581 as of July 29, 2012, and $459 as of July 31, 2011.

The amounts reclassified from Accumulated other comprehensive income (loss) consisted of the following:

Details about Accumulated Other Comprehensive Income Components	2013	2012	2011	Location of (Gain) Loss Recognized in Earnings
(Gains) losses on cash flow hedges:				
Foreign exchange forward contracts	**$ 1**	$ (1)	$ 4	Cost of products sold
Foreign exchange forward contracts	**(1)**	(2)	2	Other expenses/income
Forward starting interest rate swaps	**4**	3	3	Interest expense
Total before tax	**4**	—	9	
Tax expense (benefit)	**(1)**	—	(3)	
(Gain) loss, net of tax	**$ 3**	$ —	$ 6	
Amortization of pension and postretirement benefit adjustments:				
Prior service credit	**$ (2)**	$ (1)	$ —	(1)
Net actuarial losses	**124**	83	77	(1)
Total before tax	**122**	82	77	
Tax expense (benefit)	**(54)**	(29)	(30)	

(Gain) loss, net of tax	**$ 68**	$ 53	$ 47

(1) These items are included in the components of net periodic benefit costs. See Note 11 for additional details.

6. Goodwill and Intangible Assets

Goodwill

The following table shows the changes in the carrying amount of goodwill by business segment:

	U.S. Simple Meals	Global Baking and Snacking	International Simple Meals and Beverages	U.S. Beverages	Bolthouse and Foodservice	Total
Balance at July 31, 2011	$ 322	$ 914	$ 639	$ 112	$ 146	$ 2,133
Foreign currency translation adjustment	—	(42)	(78)	—	—	(120)
Balance at July 29, 2012	$ 322	$ 872	$ 561	$ 112	$ 146	$ 2,013
Acquisitions	**128**	**—**	**—**	**—**	**692**	**820**
Impairment	**—**	**—**	**(360)**	**—**	**—**	**(360)**
Reclassification to assets held for sale	**—**	**—**	**(110)**	**—**	—	**(110)**
Foreign currency translation adjustment	**—**	**(97)**	**31**	**—**	**—**	**(66)**
Balance at July 28, 2013	**$ 450**	**$ 775**	**$ 122**	**$ 112**	**$ 838**	**$ 2,297**

In 2013, the company acquired Bolthouse Farms for $1,561 and Plum for $249. As of July 28, 2013, goodwill related to the acquisition of Bolthouse Farms and Plum was $692 and $128, respectively. See Note 3.

On August 12, 2013, the company announced that it was in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment.

In the fourth quarter of 2013, as part of the company's annual review of intangible assets, an impairment charge of $360 was recorded on goodwill for the simple meals business in Europe to reduce the carrying value to the implied fair value of $110. The impairment was attributable to a combination of factors, including the existence of a firm offer to purchase the business; a revised future outlook for the business, with reduced expectations for future sales and discounted cash flows, given the economic uncertainty in the region; future investments required to maintain performance; and management's assumptions on the weighted average cost of capital. Fair value was determined based on discounted cash flow analyses. The discounted estimates of future cash flows include significant management assumptions such as revenue growth rates, operating margins, weighted average cost of capital, and future economic and market conditions.

Intangible Assets

The following table sets forth balance sheet information for intangible assets, excluding goodwill, subject to amortization and intangible assets not subject to amortization:

Intangible Assets:	2013	2012
Non-amortizable intangible assets		
Trademarks	**$ 810**	$ 485
Amortizable intangible assets		
Customer relationships	**$ 156**	$ 7
Technology	**40**	—
Other	**32**	8
Total gross amortizable intangible assets	**$ 228**	$ 15
Accumulated amortization	**(17)**	(4)
Total net intangible assets	**$ 1,021**	$ 496

Non-amortizable intangible assets consist of trademarks, which include *Bolthouse Farms, Pace*, and *Plum Organics.* Trademarks of $150 used in the European simple meals business have been included in assets held for sale in the Consolidated Balance Sheet as of July 28, 2013. Other amortizable intangible assets consist of recipes, patents and distributor relationships.

Amortization of intangible assets of continuing operations was $14 for 2013, and $1 for 2012 and 2011. Amortization expense for the following 5 years is estimated to be $15 in each of the fiscal periods in 2014 through 2017 and $11 in 2018. Asset useful lives range from 5 to 20 years.

In 2013, as part of the company's annual review of intangible assets, an impairment charge of $36 was recognized related to certain trademarks of the European business held for sale, including *Royco*, *Isomitta* and *Heisse Tasse*. The trademarks were determined to be impaired as a result of a decrease in the fair value of the brands, resulting from reduced expectations for future sales and discounted cash flows as previously discussed. In 2012 and 2011, as part of the company's annual review of intangible assets, an impairment charge of $3 was recognized related to trademarks of the European simple meals business. The trademarks were determined to be impaired as a result of a decrease in the fair value of the brands, resulting from reduced expectations for future sales and discounted cash flows. The impairment charges were recorded in earnings from discontinued operations in the Consolidated Statements of Earnings.

The discounted estimates of future cash flows used in determining the fair value of goodwill and intangible assets involve considerable management judgment and are based upon assumptions about expected future operating performance, economic conditions, market conditions, and cost of capital. Inherent in estimating the future cash flows are uncertainties beyond the company's control, such as changes in capital markets. The actual cash flows could differ materially from management's estimates due to changes in business conditions, operating performance, and economic conditions.

7. Business and Geographic Segment Information

The company manages operations through 13 operating segments based on product type and geographic location and has aggregated the operating segments into the appropriate reportable segment based on similar economic characteristics; products; production processes; types or classes of customers; distribution methods; and regulatory environment. The reportable segments are discussed in greater detail below.

The U.S. Simple Meals segment aggregates the following operating segments: U.S. Soup and U.S. Sauces. The U.S. Soup retail business includes the following products: *Campbell's* condensed and ready-to-serve soups; and *Swanson* broth and stocks. The U.S. Sauces retail business includes the following products: *Prego* pasta sauces; *Pace* Mexican sauces; *Campbell's* canned gravies, pasta and beans; *Swanson* canned poultry; and as of June 2013, *Plum Organics* food and snacks.

The Global Baking and Snacking segment aggregates the following operating segments: *Pepperidge Farm* cookies, crackers, bakery and frozen products in U.S. retail; and *Arnott's* biscuits in Australia and Asia Pacific.

The International Simple Meals and Beverages segment aggregates operating segments outside of the U.S., including the retail business in Canada and the businesses in Asia Pacific, Latin America and China. See also Note 4 for information on the potential sale of the simple meals business in Europe. This business was historically included in this segment. The results of operations of this business have been reflected as discontinued operations for the years presented. Prior periods were reclassified to conform to the current presentation.

The U.S. Beverages segment represents the U.S. retail beverages business, including the following products: *V8* juices and beverages; and *Campbell's* tomato juice.

Bolthouse and Foodservice comprises the Bolthouse Farms carrot products operating segment, including fresh carrots, juice concentrate and fiber; the Bolthouse Farms super-premium refrigerated beverages and refrigerated salad dressings operating segment; and the North America Foodservice operating segment. The North America Foodservice operating segment represents the distribution of products such as soup, specialty entrées, beverage products, other prepared foods and Pepperidge Farm products through various food service channels in the U.S. and Canada. None of these operating segments meets the criteria for aggregation nor the thresholds for separate disclosure. As previously discussed, Bolthouse Farms was acquired in August 2012.

The company evaluates segment performance before interest, taxes and costs associated with restructuring activities. Unrealized gains and losses on commodity hedging activities are excluded from segment operating earnings and are recorded in Corporate expenses as these open positions represent hedges of future purchases. Upon closing of the contracts, the realized gain or loss is transferred to segment operating earnings, which allows the segments to reflect the economic effects of the hedge without exposure to quarterly volatility of unrealized gains and losses. Certain manufacturing, warehousing and distribution activities of the segments are

integrated in order to maximize efficiency and productivity. As a result, asset information by segment is not discretely maintained for internal reporting or used in evaluating performance. Therefore, only geographic segment asset information is included in the disclosure.

The company's largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 19% of consolidated net sales in 2013 and 2012 and 18% in 2011. All of the company's segments sold products to Wal-Mart Stores, Inc. or its affiliates.

Business Segments

	2013	2012	2011
Net sales			
U.S. Simple Meals	**$ 2,849**	$ 2,726	$ 2,751
Global Baking and Snacking	**2,273**	2,193	2,156
International Simple Meals and Beverages	**869**	872	887
U.S. Beverages	**742**	774	759
Bolthouse and Foodservice	**1,319**	610	590
Total	**$ 8,052**	$ 7,175	$ 7,143

	2013	2012	2011
Earnings before interest and taxes			
U.S. Simple Meals	**$ 731**	$ 658	$ 657
Global Baking and Snacking	**316**	315	355
International Simple Meals and Beverages	**108**	106	128
U.S. Beverages	**120**	134	182
Bolthouse and Foodservice	**116**	85	82
Corporate(1)	**(260)**	(136)	(132)
Restructuring charges(2)	**(51)**	(7)	(60)
Total	**$ 1,080**	$ 1,155	$ 1,212

	2013	2012	2011
Depreciation and amortization			
U.S. Simple Meals	**$ 146**	$ 92	$ 93
Global Baking and Snacking	**83**	83	84
International Simple Meals and Beverages	**23**	22	24
U.S. Beverages	**39**	22	22
Bolthouse and Foodservice	**90**	14	14
Corporate(3)	**15**	15	16
Discontinued Operations	**11**	14	15
Total	**$ 407**	$ 262	$ 268

	2013	2012	2011
Capital expenditures			
U.S. Simple Meals and U.S. Beverages(4)	**$ 82**	$ 97	$ 126
Global Baking and Snacking	**112**	126	73
International Simple Meals and Beverages	**19**	32	25
Bolthouse and Foodservice	**83**	9	3
Corporate(3)	**30**	45	34
Discontinued Operations	**$ 10**	$ 14	$ 11
Total	**$ 336**	$ 323	$ 272

(1) Represents unallocated corporate expenses. Restructuring-related costs of $91 and acquisition costs of $10 were included in unallocated corporate expenses for 2013. Acquisition costs of $5 were included in unallocated corporate expenses for 2012.
(2) See Note 8 for additional information.
(3) Represents primarily corporate offices.

(4) Capital expenditures for U.S. Simple Meals and U.S. Beverages are not maintained by segment.

The company's global net sales based on product categories are as follows:

	2013	2012	2011
Net sales			
Simple Meals	**$ 4,446**	$ 3,887	$ 3,869
Baked Snacks	**2,408**	2,320	2,321
Beverages	**1,198**	968	953
Total	**$ 8,052**	$ 7,175	$ 7,143

Simple Meals include condensed and ready-to-serve soups, broths, sauces, carrot products, refrigerated salad dressings and Plum foods and snacks for babies, toddlers and children. Baked Snacks include cookies, crackers, biscuits, and other baked products.

Geographic Area Information

Information about operations in different geographic areas is as follows:

	2013	2012	2011
Net sales			
United States	**$ 6,195**	$ 5,359	$ 5,309
Australia	**801**	819	842
Other countries	**1,056**	997	992
Total	**$ 8,052**	$ 7,175	$ 7,143

	2013	2012	2011
Long-lived assets			
United States	**$ 1,583**	$ 1,308	$ 1,281
Australia	**317**	356	347
Other countries	**139**	233	248
Corporate[1]	**221**	230	227
Total	**$ 2,260**	$ 2,127	$ 2,103

(1) Represents primarily corporate offices.

See Note 4 for information on the European simple meals business.

8. Restructuring Charges

2013 Initiatives

In 2013, the company implemented the following initiatives to improve supply chain efficiency, expand access to manufacturing and distribution capabilities, and reduce costs:

- The company implemented initiatives to improve its U.S. supply chain cost structure and increase asset utilization across its U.S. thermal plant network, including closing its thermal plant in Sacramento, California, which produced soups, sauces and beverages. The closure resulted in the elimination of approximately 700 full-time positions and was completed in phases. Most of the positions were eliminated in 2013 and operations ceased in August 2013. The company shifted the majority of Sacramento's soup, sauce and beverage production to its thermal plants in Maxton, North Carolina; Napoleon, Ohio; and Paris, Texas. The company also closed its spice plant in South Plainfield, New Jersey, which resulted in the elimination of 27 positions. The company consolidated spice production at its Milwaukee, Wisconsin, plant in 2013.

- In Mexico, the company entered into commercial arrangements with third-party providers to expand access to manufacturing and distribution capabilities. The third-party providers will produce and distribute the company's beverages, soups, broths and sauces throughout the Mexican market. As a result of these agreements, the company will close its plant in Villagrán, Mexico, in 2014 and eliminate approximately 260 positions.
- The company will improve its Pepperidge Farm bakery supply chain cost structure by closing its plant in Aiken, South Carolina in 2014. The company will shift the majority of Aiken's bread production to its bakery plant in Lakeland, Florida. Approximately 110 positions will be eliminated as a result of the plant closure.

- The company streamlined its salaried workforce in U.S. Simple Meals, North America Foodservice and U.S. Beverages by approximately 70 positions. This action was substantially completed in August 2013.

In 2013, the company recorded a restructuring charge of $51 related to these initiatives. In addition, approximately $91 of costs related to these initiatives were recorded in Cost of products sold, representing accelerated depreciation and other exit costs. The aggregate after-tax impact of restructuring charges and related costs was $90, or $.28 per share. A summary of the pre-tax costs and remaining costs associated with the initiatives is as follows:

	Total Costs	Recognized as of July 28, 2013	Remaining Costs to be Recognized
Severance pay and benefits	$ 37	$ (35)	$ 2
Accelerated depreciation/asset impairment	99	(99)	—
Other exit costs	14	(8)	6
Total	$ 150	$ (142)	$ 8

Of the aggregate $150 of pre-tax costs, the company expects approximately $47 will be cash expenditures. In addition, the company expects to invest approximately $31 in capital expenditures, primarily to relocate and refurbish a beverage filling and packaging line, and relocate bread production, of which approximately $12 has been invested as of July 28, 2013. The outstanding aspects of these restructuring initiatives are expected to be completed in 2014.

A summary of the restructuring activity and related reserves associated with the initiatives at July 28, 2013 is as follows:

	Accrued Balance at July 29, 2012	2013 Charges	2013 Cash Payments	Accrued Balance at July 28, 2013
Severance pay and benefits	$ —	**$ 32**	**$ (15)**	**$ 17**
Accelerated depreciation/asset impairment		**99**		
Non-cash benefits [(1)]		**3**		
Other exit costs [(2)]		**8**		
Total charges		**$ 142**		

(1) Represents pension curtailment costs. See Note 11.
(2) Includes non-cash costs and other exit costs recognized as incurred that are not reflected in the restructuring reserve in the Consolidated Balance Sheet.

A summary of the 2013 restructuring charges and related costs incurred to date associated with segments is as follows:

	U.S. Simple Meals	Global Baking and Snacking	International Simple Meals and Beverages	U.S. Beverages	Bolthouse and Foodservice	Total
Severance pay and benefits	$ 20	$ 2	4	$ 7	2	$ 35
Accelerated depreciation/asset impairment	64	10	3	22	—	99
Other exit costs	5	—	1	2	—	8
	$ 89	$ 12	$ 8	$ 31	$ 2	$ 142

The company expects to incur additional pre-tax costs of approximately $8 by segment as follows: U.S. Simple Meals - $2; Global Baking and Snacking - $4; and International Simple Meals and Beverages - $2. Segment operating results do not include restructuring charges as segment performance is evaluated excluding such charges.

2011 Initiatives

In the fourth quarter of 2011, the company announced a series of initiatives to improve supply chain efficiency and reduce overhead costs across the organization to help fund plans to drive the growth of the business. The company also announced its exit from the Russian market. Details of the initiatives include:

- In Australia, the company is investing in a new system to automate packing operations at its biscuit plant in Virginia. This investment continued through the fourth quarter of 2013 and will result in the elimination of approximately 190 positions. The initiative is now expected to be substantially completed by December 2013. Further, the company improved asset utilization in the U.S. by shifting production of ready-to-serve soups from Paris, Texas, to other facilities in 2012.

In addition, the manufacturing facility in Marshall, Michigan, was closed in 2011, and manufacturing of *Campbell's Soup at Hand* microwavable products was consolidated at the Maxton, North Carolina, plant in 2012.

- The company streamlined its salaried workforce by approximately 510 positions around the world, including approximately 130 positions at its world headquarters in Camden, New Jersey. These actions were substantially completed in 2011. As part of this initiative, the company outsourced a larger portion of its U.S. retail merchandising activities to its retail sales agent, Acosta Sales and Marketing, and eliminated approximately 190 positions.

- In connection with exiting the Russian market, the company eliminated approximately 50 positions. The exit process commenced in 2011 and was substantially completed in 2012.

In 2012, the company recorded a restructuring charge of $10 ($6 after tax or $.02 per share) related to these initiatives. Of the amount recorded in 2012, $3 related to discontinued operations. In the fourth quarter of 2011, the company recorded a restructuring charge of $63 ($41 after tax or $.12 per share). Of the amount recorded in 2011, $3 related to discontinued operations. A summary of the pre-tax charges and remaining costs associated with the initiatives is as follows:

	Total Program	Recognized as of July 28, 2013	Remaining Costs to be Recognized
Severance pay and benefits	$ 41	$ (41)	$ —
Accelerated depreciation/asset impairment	23	(23)	—
Other exit costs	10	(9)	1
Total	$ 74	$ (73)	$ 1

Of the aggregate $74 of pre-tax costs, approximately $50 represents cash expenditures, the majority of which was spent in 2012. In addition, the company expects to invest approximately $40 in capital expenditures in connection with the actions, of which approximately $33 has been invested as of July 28, 2013.

A summary of the restructuring activity and related reserves associated with the 2011 initiatives at July 28, 2013 is as follows:

	Accrued Balance at July 31, 2011	2012 Charges	2012 Cash Payments	Foreign Currency Translation Adjustment	Accrued Balance at July 29, 2012	2013 Charges	2013 Cash Payments	Foreign Currency Translation Adjustment	Accrued Balance at July 28, 2013
Severance pay and benefits	35	4	(24)	(1)	$ 14	**$ —**	**$ (10)**	**$ (1)**	**$ 3**
Other exit costs	4	2	(4)	—	2	**—**	**(1)**	**—**	**1**
	$ 39	6	$ (28)	$ (1)	$ 16	**—**	**$ (11)**	**$ (1)**	**$ 4**
Accelerated depreciation/asset impairment		1							
Other non-cash exit costs		3							

Total charges	$ 10		**$ —**

A summary of restructuring charges incurred to date associated with each segment is as follows:

	U.S. Simple Meals	Global Baking and Snacking	International Simple Meals and Beverages	U.S. Beverages	Bolthouse and Foodservice	Corporate	Total
Severance pay and benefits	$ 10	$ 14	$ 11	$ 3	$ 1	$ 2	$ 41
Accelerated depreciation/asset impairment	20	—	3	—	—	—	23
Other exit costs	2	—	3	—	—	4	9
	$ 32	$ 14	$ 17	$ 3	$ 1	$ 6	$ 73

The company expects to incur additional pre-tax costs of approximately $1 in the U.S. Simple Meals segment. Segment operating results do not include restructuring charges as segment performance is evaluated excluding such charges.

9. Earnings per Share

The accounting guidance for earnings per share provides that unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. The two-class method is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared and participation rights in undistributed earnings. Awards issued by the company prior to 2011 contained non-forfeitable rights to dividends or dividend equivalents.

The computation of basic and diluted earnings per share attributable to common shareowners is as follows:

	2013	**2012**	**2011**
Earnings from continuing operations attributable to Campbell Soup Company	**$ 689**	$ 734	$ 752
Less: Allocation to participating securities	**—**	(4)	(9)
Available to Campbell Soup Company common shareowners	**689**	$ 730	$ 743
Earnings (loss) from discontinued operations	**$ (231)**	$ 40	$ 53
Less: Allocation to participating securities	**—**	(1)	—
Available to Campbell Soup Company common shareowners	**$ (231)**	$ 39	$ 53
Net earnings attributable to Campbell Soup Company	**$ 458**	$ 774	$ 805
Less: Allocation to participating securities	**—**	(5)	(9)
Available to Campbell Soup Company common shareowners	**$ 458**	$ 769	$ 796
Weighted average shares outstanding — basic	**314**	317	326
Effect of dilutive securities: stock options and other share based payment awards	**3**	2	3
Weighted average shares outstanding — diluted	**317**	319	329

Earnings from continuing operations attributable to Campbell Soup Company per common share:			
Basic	**$ 2.19**	$ 2.30	$ 2.28
Diluted	**$ 2.17**	$ 2.29	$ 2.26
Earnings (loss) from discontinued operations per common share:			
Basic	**$ (0.74)**	$ 0.12	$ 0.16
Diluted	**$ (0.73)**	$ 0.12	$ 0.16
Net earnings attributable to Campbell Soup Company per common share[1]:			
Basic	**$ 1.46**	$ 2.43	$ 2.44
Diluted	**$ 1.44**	$ 2.41	$ 2.42

(1) The sum of the individual per share amounts may not add due to rounding.

There were no antidilutive stock options in 2013, 2012, or 2011.

10. Noncontrolling Interests

The company owns a 60% controlling interest in a joint venture formed with Swire Pacific Limited to support the development of the company's business in China. The joint venture began operations on January 31, 2011. In July 2012, the company and joint venture partner contributed additional cash of $3 and $2, respectively. In February 2013, the company and joint venture partner contributed additional cash of $5 and $3, respectively. The noncontrolling interest's share in the net loss was included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings.

The company owns a 70% controlling interest in a Malaysian food products manufacturing company. The noncontrolling interest's share in the net earnings was included in Net earnings (loss) attributable to noncontrolling interests in the Consolidated Statements of Earnings and was not material in 2013, 2012, or 2011.

The noncontrolling interests in these entities were included in Total equity in the Consolidated Balance Sheets and Consolidated Statements of Equity.

11. Pension and Postretirement Benefits

Pension Benefits — The company sponsors a number of noncontributory defined benefit pension plans to provide retirement benefits to all eligible U.S. and non-U.S. employees. The benefits provided under these plans are based primarily on years of service and compensation levels. In 1999, the company implemented significant amendments to certain U.S. pension plans. Under a new formula, retirement benefits are determined based on percentages of annual pay and age. To minimize the impact of converting to the new formula, service and earnings credit continues to accrue through the year 2014 for active employees participating in the plans under the old formula prior to the amendments. Employees will receive the benefit from either the new or old formula, whichever is higher. Benefits become vested upon the completion of three years of service. Benefits are paid from funds previously provided to trustees and insurance companies or are paid directly by the company from general funds. Effective as of January 1, 2011, the company's U.S. pension plans were amended so that employees hired or rehired on or after that date and who are not covered by collective bargaining agreements will not be eligible to participate in the plans.

Postretirement Benefits — The company provides postretirement benefits including health care and life insurance to substantially all retired U.S. employees and their dependents. The company established retiree medical account benefits for eligible U.S. retirees. The accounts were intended to provide reimbursement for eligible health care expenses on a tax-favored basis. Effective as of January 1, 2011, the retirement medical program was amended to eliminate the retiree medical account benefit for employees not covered by collective bargaining agreements. To preserve the benefit for employees close to retirement age, the retiree medical account will be available to employees who were at least age 50 with at least 10 years of service as of December 31, 2010, and who satisfy the other eligibility requirements for the retiree medical program.

The company uses the fiscal year end as the measurement date for the benefit plans.

Components of benefit expense were as follows:

	Pension		
	2013	**2012**	**2011**
Service cost	**$ 57**	$ 55	$ 58
Interest cost	**108**	122	121
Expected return on plan assets	**(177)**	(178)	(178)
Amortization of prior service credit	**(1)**	—	1
Recognized net actuarial loss	**108**	74	70
Curtailment loss	**3**	—	—
Settlement gain	**—**	—	(1)
Net periodic benefit expense	**$ 98**	$ 73	$ 71

The curtailment loss of $3 related to the planned closure of the plant in Mexico and was included in the Restructuring charges. See also Note 8. In 2013 and 2012, net periodic benefit expense of $1 related to the simple meals business in Europe and is included in Earnings from discontinued operations.

The estimated prior service credit and net actuarial losses that will be amortized from Accumulated other comprehensive loss into periodic pension cost during 2014 are $1 and $77, respectively.

	Postretirement		
	2013	**2012**	**2011**
Service cost	**$ 3**	$ 3	$ 3
Interest cost	**15**	18	18
Amortization of prior service credit	**(1)**	(1)	(1)

Recognized net actuarial loss	**15**	9	7
Net periodic benefit expense	**$ 32**	$ 29	$ 27

The estimated prior service credit and net actuarial loss that will be amortized from Accumulated other comprehensive loss into net periodic postretirement expense during 2014 are $1 and $13, respectively.

Change in benefit obligation:

	Pension		Postretirement	
	2013	**2012**	**2013**	**2012**
Obligation at beginning of year	**$ 2,748**	$ 2,388	**$ 413**	$ 374
Service cost	**57**	55	**3**	3
Interest cost	**108**	122	**15**	18
Actuarial (gain) loss	**(230)**	361	**(13)**	47
Participant contributions	**—**	—	**6**	6
Benefits paid	**(172)**	(157)	**(36)**	(38)
Medicare subsidies	**—**	—	**2**	3
Other	**(3)**	(5)	**—**	—
Curtailment	**(2)**	—	**—**	—
Foreign currency adjustment	**(17)**	(16)	**—**	—
Benefit obligation at end of year	**$ 2,489**	$ 2,748	**$ 390**	$ 413

Change in the fair value of pension plan assets:

	2013	**2012**
Fair value at beginning of year	**$ 2,118**	$ 2,059
Actual return on plan assets	**246**	149
Employer contributions	**87**	71
Benefits paid	**(161)**	(149)
Foreign currency adjustment	**(15)**	(12)
Fair value at end of year	**$ 2,275**	$ 2,118

Amounts recognized in the Consolidated Balance Sheets:

	Pension		Postretirement	
	2013	**2012**	**2013**	**2012**
Accrued liabilities	**$ (13)**	$ (12)	**$ (29)**	$ (27)
Other liabilities	**(190)**	(618)	**(361)**	(386)
Non-current liabilities held for sale	**(11)**	—	**—**	—
Net amount recognized	**$ (214)**	$ (630)	**$ (390)**	$ (413)

	Pension		Postretirement	
Amounts recognized in accumulated other comprehensive loss consist of:	**2013**	**2012**	**2013**	**2012**
Net actuarial loss	**$ 1,068**	$ 1,486	**$ 104**	$ 133
Prior service credit	**(2)**	(3)	**(6)**	(8)
Total	**$ 1,066**	$ 1,483	**$ 98**	$ 125

The changes in other comprehensive loss associated with pension benefits included the reclassification of actuarial losses into earnings of $109 and $74 in 2013 and 2012, respectively. The remaining changes in other comprehensive loss associated with pension

benefits were primarily due to net actuarial gains arising during the periods and the impact of foreign currency in 2013 and actuarial losses arising during the period and the impact of foreign currency in 2012.

The change in other comprehensive loss associated with postretirement benefits was due to the reclassification of actuarial losses into earnings of $15 and $9 in 2013 and 2012. The remaining changes in other comprehensive loss associated with postretirement benefits were primarily due to net actuarial gains arising during the period in 2013 and net actuarial losses arising during the period in 2012.

The balance in accumulated other comprehensive loss included $2 in 2013 and $3 in 2012 related to the simple meals business in Europe.

The following table provides information for pension plans with accumulated benefit obligations in excess of plan assets:

	2013	2012
Projected benefit obligation	**$ 1,817**	$ 2,739
Accumulated benefit obligation	**$ 1,791**	$ 2,653
Fair value of plan assets	**$ 1,625**	$ 2,114

The accumulated benefit obligation for all pension plans was $2,423 at July 28, 2013 and $2,657 at July 29, 2012.

Weighted-average assumptions used to determine benefit obligations at the end of the year:

	Pension		Postretirement	
	2013	2012	2013	2012
Discount rate	**4.82%**	4.05%	**4.50%**	3.75%
Rate of compensation increase	**3.30%**	3.31%	**3.25%**	3.25%

Weighted-average assumptions used to determine net periodic benefit cost for the years ended:

	Pension		
	2013	2012	2011
Discount rate	**4.05%**	5.41%	5.46%
Expected return on plan assets	**7.65%**	7.90%	8.15%
Rate of compensation increase	**3.31%**	3.31%	3.29%

The discount rate is established as of the company's fiscal year-end measurement date. In establishing the discount rate, the company reviews published market indices of high-quality debt securities, adjusted as appropriate for duration. In addition, independent actuaries apply high-quality bond yield curves to the expected benefit payments of the plans. The expected return on plan assets is a long-term assumption based upon historical experience and expected future performance, considering the company's current and projected investment mix. This estimate is based on an estimate of future inflation, long-term projected real returns for each asset class, and a premium for active management.

The discount rate used to determine net periodic postretirement expense was 3.75% in 2013, 5.00% in 2012, and 5.25% in 2011.

Assumed health care cost trend rates at the end of the year:

	2013	2012
Health care cost trend rate assumed for next year	**8.25%**	8.25%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	**4.50%**	4.50%
Year that the rate reaches the ultimate trend rate	**2021**	2020

A one-percentage-point change in assumed health care costs would have the following effects on 2013 reported amounts:

	Increase	Decrease
Effect on service and interest cost	$ 1	$ (1)
Effect on the 2013 accumulated benefit obligation	$ 21	$ (19)

Pension Plan Assets

The fundamental goal underlying the investment policy is to ensure that the assets of the plans are invested in a prudent manner to meet the obligations of the plans as these obligations come due. The primary investment objectives include providing a total return which will promote the goal of benefit security by attaining an appropriate ratio of plan assets to plan obligations, to provide for real asset growth while also tracking plan obligations, to diversify investments across and within asset classes, to reduce the impact of losses in single investments, and to follow investment practices that comply with applicable laws and regulations.

The primary policy objectives will be met by investing assets to achieve a reasonable tradeoff between return and risk relative to plan obligations. This includes investing a portion of the assets in funds selected in part to hedge the interest rate sensitivity to plan obligations.

The portfolio includes investments in the following asset classes: fixed income, equity, real estate and alternatives. Fixed income will provide a moderate expected return and partially hedge the exposure to interest rate risk of the plans' obligations. Equities are used for their high expected return. Additional asset classes are used to provide diversification.

Asset allocation is monitored on an ongoing basis relative to the established asset class targets. The interaction between plan assets and benefit obligations is periodically studied to assist in the establishment of strategic asset allocation targets. The investment policy permits variances from the targets within certain parameters. Asset rebalancing occurs when the underlying asset class allocations move outside these parameters, at which time the asset allocation is rebalanced back to the policy target weight.

The company's year-end pension plan weighted-average asset allocations by category were:

	Strategic Target	2013	2012
Equity securities	51%	**54%**	48%
Debt securities	35%	**32%**	36%
Real estate and other	14%	**14%**	16%
Net periodic benefit expense	100%	**100%**	100%

Pension plan assets are categorized based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data.
- Level 3: Unobservable inputs, which are valued based on the company's estimates of assumptions that market participants would use in pricing the asset or liability.

The following table presents the company's pension plan assets by asset category at July 28, 2013 and July 29, 2012:

	Fair Value as of July 28, 2013	Fair Value Measurements at July 28, 2013 Using Fair Value Hierarchy			Fair Value as of July 29, 2012	Fair Value Measurements at July 29, 2012 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Short-term investments	$ **78**	$ **36**	$ **42**	$ **—**	$ 70	$ 44	$ 26	$ —
Equities:								
U.S.	**401**	**401**	**—**	**—**	357	357	—	—
Non-U.S.	**358**	**358**	**—**	**—**	289	289	—	—
Corporate bonds:								
U.S.	**420**	**—**	**420**	**—**	444	—	444	—
Non-U.S.	**92**	**—**	**92**	**—**	91	—	91	—

Government and agency bonds:								
U.S.	**41**	**—**	**41**	**—**	33	—	33	—
Non-U.S.	**37**	**—**	**37**	**—**	30	—	30	—
Municipal bonds	**73**	**—**	**73**	**—**	75	—	75	—
Commingled funds:								
Equities	**393**	**—**	**393**	**—**	301	—	301	—
Fixed income	**29**	**—**	**29**	**—**	37	—	37	—
Blended	**88**	**—**	**88**	**—**	81	—	81	—
Mortgage and asset backed securities	**15**	**—**	**15**	**—**	14	—	14	—
Real estate	**89**	**6**	**83**	**—**	85	8	61	16
Limited partnerships	**18**	**—**	**—**	**18**	19	—	—	19
Hedge funds	**147**	**—**	**117**	**30**	192	—	192	—
Total assets at fair value	**$ 2,279**	**$ 801**	**$ 1,430**	**$ 48**	$ 2,118	$ 698	$ 1,385	$ 35
Other items to reconcile to fair value of plan assets	**(4)**				—			
Total pension assets at fair value	**$ 2,275**				$ 2,118			

Short-term investments — Investments include cash and cash equivalents, and various short-term debt instruments and short-term investment funds. Institutional short-term investment vehicles valued daily are classified as Level 1 at cost which approximates market value. Other investment vehicles are valued based upon a net asset value and are classified as Level 2.

Equities — Common stocks and preferred stocks are classified as Level 1 and are valued using quoted market prices in active markets.

Corporate bonds — These investments are valued based on quoted market prices, yield curves and pricing models using current market rates.

Government and agency bonds — These investments are generally valued based on bid quotations and recent trade data for identical or similar obligations.

Municipal bonds — These investments are valued based on quoted market prices, yield curves and pricing models using current market rates.

Commingled funds — Investments in commingled funds are classified as Level 2 assets as the funds are not traded in active markets. Commingled funds are valued based on the unit values of such funds. Unit values are based on the fair value of the underlying assets of the funds derived from inputs principally based on quoted market prices in an active market or corroborated

by observable market data by correlation or other means. Blended commingled funds are invested in both equities and fixed income securities.

Mortgage and asset backed securities — Fair value is based on prices obtained from third party pricing sources. The prices from third party pricing sources may be based on bid quotes from dealers and recent trade data. Mortgage backed securities are traded in the

over-the-counter market.

Real estate — Real estate investments consist of real estate investment trusts and property funds. Real estate investment trusts are classified as Level 1 and are valued based on quoted market prices. Property funds are classified as either Level 2 or Level 3 depending upon whether liquidity is limited or there are few observable market participant transactions. Fair value is based on third party appraisals.

Limited partnerships — Investments in limited partnerships are valued based upon valuations provided by the general partners of the funds. The values of limited partnerships are based upon an assessment of each underlying investment, incorporating valuations that consider the evaluation of financing and sales transactions with third parties, expected cash flows, and market-based information, including comparable transactions and performance multiples among other factors. The investments are classified as Level 3 since the valuation is determined using unobservable inputs.

Hedge funds — Hedge fund investments include hedge funds valued based upon a net asset value derived from the fair value of underlying securities and are therefore classified as Level 2 assets. Hedge fund investments that are subject to liquidity restrictions or that are based on unobservable inputs are classified as Level 3 assets. Hedge fund investments may include long and short positions in equity and fixed income securities, derivative instruments such as futures and options, commodities, and other types of securities.

Other items to reconcile to fair value of plan assets included net accrued interest and dividends receivable, amounts due for securities sold, amounts payable for securities purchased, and other payables.

The following table summarizes the changes in fair value of Level 3 investments for the years ended July 28, 2013 and July 29, 2012:

	Real Estate	Limited Partnerships	Hedge Funds	Total
Fair value at July 29, 2012	$ 16	$ 19	$ —	$ 35
Actual return on plan assets	**—**	**2**	**—**	**2**
Purchases	**—**	**—**	**30**	**30**
Sales	**—**	**(3)**	**—**	**(3)**
Settlements	**—**	**—**	**—**	**—**
Transfers out of Level 3	**(16)**	**—**	**—**	**(16)**
Fair value at July 28, 2013	**$ —**	**$ 18**	**$ 30**	**$ 48**

	Real Estate	Limited Partnerships	Hedge Funds	Total
Fair value at July 31, 2011	$ 19	$ 20	$ —	$ 39
Actual return on plan assets	2	2	—	4
Purchases	—	—	—	—
Sales	(5)	(3)	—	(8)
Settlements	—	—	—	—
Transfers out of Level 3	—	—	—	—
Fair value at July 29, 2012	$ 16	$ 19	$ —	$ 35

A contribution of $35 was made to U.S. pension plans in the first quarter of 2014. Additional contributions to U.S. plans are not expected in 2014. Contributions to non-U.S. pension plans are expected to be approximately $18 in 2014.

Estimated future benefit payments are as follows:

	Pension	Postretirement
2014	$ 161	$ 29
2015	$ 151	$ 30
2016	$ 154	$ 30
2017	$ 157	$ 31
2018	$ 159	$ 31

2019-2023	$ 854	$ 150

The estimated future benefit payments include payments from funded and unfunded plans.

Savings Plan — The company sponsors employee savings plans which cover substantially all U.S. employees. Effective January 1, 2011, the company provides a matching contribution of 100% of employee contributions up to 4% of compensation for employees who are not covered by collective bargaining agreements. Employees hired or rehired on or after January 1, 2011 who will not be eligible to participate in the defined benefit plans and who are not covered by collective bargaining agreements receive a contribution equal to 3% of compensation regardless of their participation in the Savings Plan. Prior to January 1, 2011, the company provided a matching contribution of 60% (50% at certain locations) of the employee contributions up to 5% of compensation after one year of continued service. Amounts charged to Costs and expenses were $27 in 2013, $24 in 2012, and $20 in 2011.

12. Taxes on Earnings

The provision for income taxes on earnings from continuing operations consists of the following:

	2013	2012	2011
Income taxes:			
Currently payable:			
Federal	**$ 268**	$ 221	$ 218
State	**24**	29	29
Non-U.S.	**47**	43	64
	339	293	311
Deferred:			
Federal	**(58)**	31	44
State	**(6)**	2	(2)
Non-U.S.	**—**	(1)	(2)
	(64)	32	40
	$ 275	$ 325	$ 351
Earnings from continuing operations before income taxes:			
United States	**$ 815**	$ 918	$ 941
Non-U.S.	**140**	131	159
	$ 955	$ 1,049	$ 1,100

The following is a reconciliation of the effective income tax rate on continuing operations to the U.S. federal statutory income tax rate:

	2013	2012	2011
Federal statutory income tax rate	**35.0 %**	35.0 %	35.0 %
State income taxes (net of federal tax benefit)	**1.1**	2.0	1.6
Tax effect of international items	**(2.6)**	(3.8)	(1.7)
Settlement of tax contingencies	**(0.1)**	(0.1)	(0.4)
Federal manufacturing deduction	**(2.7)**	(1.9)	(1.9)
Other	**(1.9)**	(0.2)	(0.7)
Effective income tax rate	**28.8 %**	31.0 %	31.9 %

Deferred tax liabilities and assets are comprised of the following:

	2013	2012
Depreciation	**$ 302**	$ 279
Amortization	**484**	474
Other	**66**	20
Deferred tax liabilities	**852**	773
Benefits and compensation	**316**	311
Pension benefits	**61**	194
Tax loss carryforwards	**95**	69
Capital loss carryforwards	**104**	117
Other	**73**	79
Gross deferred tax assets	**649**	770
Deferred tax asset valuation allowance	**(148)**	(142)
Net deferred tax assets	**501**	628
Net deferred tax liability	**$ 351**	$ 145

At July 28, 2013, U.S. and non-U.S. subsidiaries of the company had tax loss carryforwards of approximately $423. Of these carryforwards, $183 expire between 2014 and 2033, and $240 may be carried forward indefinitely. The current statutory tax rates in these countries range from 15% to 35%. At July 28, 2013, deferred tax asset valuation allowances have been established to offset $145 of these tax loss carryforwards. Additionally, at July 28, 2013, non-U.S. subsidiaries of the company had capital loss carryforwards of approximately $342, which were fully offset by valuation allowances. U.S. subsidiaries of the company had a capital loss carryforward of $1 which expires in 2017 for which no valuation allowance had been established.

The net change in the deferred tax asset valuation allowance in 2013 was an increase of $6. The increase was primarily due to the impact of currency and recognition of additional valuation allowances on foreign loss carryforwards. The net change in the valuation allowance in 2012 was a decrease of $14. The decrease was primarily due to the discontinuation of the company's Russian operations as well as the impact of currency and the recognition of additional valuation allowances on foreign loss carryforwards.

As of July 28, 2013, other deferred tax assets included $7 of foreign tax credit carryforwards that expire in 2023, and $10 of state tax credit carryforwards related to various states that expire between 2014 and 2022. As of July 28, 2012, other deferred tax assets included $3 of foreign tax credit carryforwards that expire in 2022, and $3 of state tax credit carryforwards that expire between 2014 and 2021 and are related to various states. No valuation allowances have been established related to these deferred tax assets.

As of July 28, 2013, U.S. income taxes have not been provided on approximately $714 of undistributed earnings of non-U.S. subsidiaries, which are deemed to be permanently reinvested. It is not practical to estimate the tax liability that might be incurred if such earnings were remitted to the U.S.

A reconciliation of the activity related to unrecognized tax benefits follows:

	2013	2012	2011
Balance at beginning of year	**$ 48**	$ 43	$ 36
Increases related to prior-year tax positions	**28**	2	6
Decreases related to prior-year tax positions	**(7)**	(1)	(4)
Increases related to current-year tax positions	**9**	9	9
Settlements	**(15)**	—	—
Lapse of statute	**(2)**	(5)	(4)
Balance at end of year	**$ 61**	$ 48	$ 43

The increase in 2013 for prior-year tax positions was primarily due to the acquisitions of Bolthouse Farms and Plum.

As of July 28, 2013, July 29, 2012, and July 31, 2011, there were $23, $18, and $16, respectively, of unrecognized tax benefits that if recognized would affect the annual effective tax rate. The total amount of unrecognized tax benefits can change due to audit settlements, tax examination activities, statute expirations and the recognition and measurement criteria under accounting for uncertainty in income taxes. The company is unable to estimate what this change could be within the next 12 months, but does not believe it would be material to the financial statements. As of July 29, 2012, there was approximately $6 of unrecognized tax benefit liabilities, including interest and penalties, reported as accrued taxes payable in the Consolidated Balance Sheets. Approximately $2 of unrecognized tax benefits, including interest and penalties, were reported as accounts receivable in the Consolidated Balance Sheets as of July 28, 2013.

The company's accounting policy with respect to interest and penalties attributable to income taxes is to reflect any expense or benefit as a component of its income tax provision. The total amount of interest and penalties recognized in the Consolidated Statements of Earnings was not material in 2013, 2012 and 2011. The total amount of interest and penalties recognized in the Consolidated Balance Sheets was $2 as of July 28, 2013, and $8 as of July 29, 2012.

The company does business internationally and, as a result, files income tax returns in the U.S. federal jurisdiction and various state and non-U.S. jurisdictions. In the normal course of business, the company is subject to examination by taxing authorities throughout the world, including such major jurisdictions as the U.S., Australia, Canada, Belgium, France and Germany. The 2013 tax year is currently under audit by the IRS. In addition, several state income tax examinations are in progress for fiscal years 2006 to 2012.

With limited exceptions, the company has been audited for income tax purposes in Germany through fiscal year 2007, and in Canada, France, Belgium and Australia through fiscal year 2009.

13. Short-term Borrowings and Long-term Debt

Short-term borrowings consist of the following:

	2013	2012
Commercial paper	**$ 1,162**	$ 352
Current portion of long-term debt	**700**	400
Variable-rate bank borrowings	**44**	30
Capital leases	**2**	—
Other [(1)]	**1**	4
	$ 1,909	$ 786

(1) Other includes unamortized net premium/discount on debt issuances and amounts related to interest rate swaps designated as fair-value hedges. For additional information on fair-value interest rate swaps, see Note 14.

As of July 28, 2013, the weighted-average interest rate of commercial paper, which consisted of U.S. borrowings, was 0.19%. As of July 29, 2012, the weighted-average interest rate of commercial paper, which consisted of U.S. borrowings, was 0.23%.

At July 28, 2013, the company had $40 of standby letters of credit issued on its behalf. The company has committed revolving credit facilities totaling $2,000, comprised of a $500 facility and a $1,500 facility, both maturing in September 2016. Both facilities remained unused at July 28, 2013, except for $3 of standby letters of credit issued on behalf of the company. These revolving credit agreements support the company's commercial paper programs and other general corporate purposes.

Long-term debt consists of the following:

Type	Fiscal Year of Maturity	Rate	2013	2012
Notes	2013	5.00%	**$ —**	$ 400
Notes	2014	4.88%	**300**	300
Notes	2014	LIBOR plus 0.30%	**400**	—
Notes	2015	3.38%	**300**	300
Notes	2017	3.05%	**400**	400
Notes	2019	4.50%	**300**	300
Notes	2021	4.25%	**500**	500
Debentures	2021	8.88%	**200**	200
Notes	2023	2.50%	**450**	—
Notes	2043	3.80%	**400**	—
Capital leases			**4**	—
Other(1)			**(10)**	8
Total			**3,244**	2,408
Less current portion			**700**	404
Total long-term debt			**$ 2,544**	$ 2,004

(1) Other includes unamortized net premium/discount on debt issuances and amounts related to interest rate swaps designated as fair-value hedges. For additional information on fair-value interest rate swaps, see Note 14.

Principal amounts of debt mature as follows: $702 in 2014; $301 in 2015; $1 in 2016; $401 in 2017; and a total of $1,851 in periods beyond 2017.

On August 6, 2012, the company completed the acquisition of Bolthouse Farms from a fund managed by Madison Dearborn Partners, LLC, a private equity firm, for $1,550 in cash, subject to customary purchase price adjustments. On August 6, 2012, the preliminary purchase price adjustments resulted in an increase in the purchase price of $20. In the third quarter, the purchase price adjustments were finalized and reduced to $11. The acquisition was funded through a combination of short- and long-term borrowings. The terms of long-term borrowings, which were issued on August 2, 2012, were as follows:

- $400 floating rate notes that mature on August 1, 2014. Interest on the notes is based on 3-month U.S. dollar LIBOR plus 0.30%. Interest is payable quarterly and commenced on November 1, 2012;
- $450 of 2.50% notes that mature on August 2, 2022. Interest is payable semi-annually and commenced on February 2, 2013. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption; and
- $400 of 3.80% notes that mature on August 2, 2042. Interest is payable semi-annually and commenced on February 2, 2013. The company may redeem the notes in whole or in part at any time at a redemption price of 100% of the principal amount plus accrued interest or an amount designed to ensure that the note holders are not penalized by the early redemption.

The remaining balance was funded through the issuance of commercial paper.

On June 13, 2013, the company completed the acquisition of Plum for $249 million, subject to customary purchase price adjustments. The acquisition was funded through the issuance of commercial paper.

On August 8, 2013, the company acquired Kelsen for approximately $325, subject to customary purchase price adjustments. The acquisition was funded through the issuance of commercial paper.

14. Financial Instruments

The principal market risks to which the company is exposed are changes in foreign currency exchange rates, interest rates, and commodity prices. In addition, the company is exposed to equity price changes related to certain deferred compensation obligations. In

order to manage these exposures, the company follows established risk management policies and procedures, including the use of derivative contracts such as swaps, options, forwards and commodity futures. These derivative contracts are entered into for periods consistent with the related underlying exposures and do not constitute positions independent of those exposures. The company does not enter into derivative contracts for speculative purposes and does not use leveraged instruments.

The company's derivative programs include instruments that qualify and instruments that do not qualify for hedge accounting treatment.

Concentration of Credit Risk

The company is exposed to the risk that counterparties to derivative contracts will fail to meet their contractual obligations. To mitigate counterparty credit risk, the company only enters into contracts with carefully selected, leading, credit-worthy financial institutions, and distributes contracts among several financial institutions to reduce the concentration of credit risk. The company does not have credit-risk-related contingent features in its derivative instruments as of July 28, 2013. During 2013, the company's largest customer accounted for approximately 19% of consolidated net sales. The company closely monitors credit risk associated with counterparties and customers.

Foreign Currency Exchange Risk

The company is exposed to foreign currency exchange risk related to its international operations, including non-functional currency intercompany debt and net investments in subsidiaries. The company is also exposed to foreign exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries. Principal currencies hedged include the Australian dollar, Canadian dollar, euro, Swedish krona, New Zealand dollar, British pound and Japanese yen. The company utilizes foreign exchange forward purchase and sale contracts as well as cross-currency swaps to hedge these exposures. The contracts are either designated as cash-flow hedging instruments or are undesignated. The company hedges portions of its forecasted foreign currency transaction exposure with foreign exchange forward contracts for periods typically up to 18 months. To hedge currency exposures related to intercompany debt, foreign exchange forward purchase and sale contracts as well as cross-currency swap contracts are entered into for periods consistent with the underlying debt. As of July 28, 2013, cross-currency swap contracts mature between 1 and 36 months. The notional amount of foreign exchange forward and cross-currency swap contracts accounted for as cash-flow hedges was $129 at July 28, 2013 and $156 at July 29, 2012. The effective portion of the changes in fair value on these instruments is recorded in other comprehensive income (loss) and is reclassified into the Consolidated Statements of Earnings on the same line item and the same period in which the underlying hedged transaction affects earnings. The notional amount of foreign exchange forward and cross-currency swap contracts that are not designated as accounting hedges was $895 and $908 at July 28, 2013 and July 29, 2012, respectively.

Interest Rate Risk

The company manages its exposure to changes in interest rates by optimizing the use of variable-rate and fixed-rate debt and by utilizing interest rate swaps in order to maintain its variable-to-total debt ratio within targeted guidelines. Receive fixed rate/pay variable rate interest rate swaps are accounted for as fair-value hedges. The notional amount of outstanding fair-value interest rate swaps totaled $200 at July 28, 2013 and $500 at July 29, 2012. These swaps mature in 3 months. The company manages its exposure to interest rate volatility on future debt issuances by entering into forward starting interest rate swaps to lock in the rate on the interest payments related to the forecasted debt issuances. Pay fixed rate/receive variable rate forward starting interest rate swaps are accounted for as cash-flow hedges. The notional amount of outstanding forward starting interest rate swaps totaled $250 at July 28, 2013 and $600 at July 29, 2012. Forward starting interest rate swaps with a notional value of $400 were settled in August 2012, at a loss of $2, which was recorded in other comprehensive income (loss). The loss on the forward starting interest rate swaps will be amortized over the life of the 10-year debt issued in August 2012.

Commodity Price Risk

The company principally uses a combination of purchase orders and various short- and long-term supply arrangements in connection with the purchase of raw materials, including certain commodities and agricultural products. The company also enters into commodity futures, options and swap contracts to reduce the volatility of price fluctuations of diesel fuel, soybean oil, wheat, aluminum, natural gas, cocoa and corn which impact the cost of raw materials. Commodity futures, options, and swap contracts are either accounted for as cash-flow hedges or are not designated as accounting hedges. The company hedges a portion of commodity requirements for periods typically up to 18 months. There were no commodity contracts accounted for as cash-flow hedges as of July 28, 2013 or July 29, 2012. The notional amount of commodity contracts not designated as accounting hedges was $105 at July 28, 2013 and $95 at July 29, 2012.

Equity Price Risk

The company enters into swap contracts which hedge a portion of exposures relating to certain deferred compensation obligations linked to the total return of the company's capital stock, the total return of the Vanguard Institutional Index, and the total return of the Vanguard Total International Stock Index. Under these contracts, the company pays variable interest rates and receives from the

counterparty either the total return on company capital stock; the total return of the Standard & Poor's 500 Index, which is expected to approximate the total return of the Vanguard Institutional Index; or the total return of the iShares MSCI EAFE Index, which is expected to approximate the total return of the Vanguard Total International Stock Index. These contracts were not designated as hedges for accounting purposes and are entered into for periods typically not exceeding 12 months. The notional amounts of the contracts as of July 28, 2013 and July 29, 2012 were $50 and $75, respectively.

The following table summarizes the fair value of derivative instruments recorded in the Consolidated Balance Sheets as of July 28, 2013, and July 29, 2012:

	Balance Sheet Classification	2013	2012
Asset Derivatives			
Derivatives designated as hedges:			
Foreign exchange forward contracts	Other current assets	**$ 2**	$ 1
Forward starting interest rate swaps	Other current assets	**—**	1
Interest rate swaps	Other current assets	**1**	4
Forward starting interest rate swaps	Other assets	**23**	1
Interest rate swaps	Other assets	**—**	9
Total derivatives designated as hedges		**$ 26**	$ 16
Derivatives not designated as hedges:			
Commodity derivative contracts	Other current assets	**$ 2**	$ 8
Cross-currency swap contracts	Other current assets	**—**	19
Deferred compensation derivative contracts	Other current assets	**2**	1
Foreign exchange forward contracts	Other current assets	**2**	1
Total derivatives not designated as hedges		**6**	29
Total asset derivatives		**$ 32**	$ 45

	Balance Sheet Classification	2013	2012
Liability Derivatives			
Derivatives designated as hedges:			
Cross-currency swap contracts	Accrued liabilities	**$ 22**	$ —
Foreign exchange forward contracts	Accrued liabilities	**2**	—
Cross-currency swap contracts	Other liabilities	**—**	25
Total derivatives designated as hedges		**$ 24**	$ 25
Derivatives not designated as hedges:			
Commodity derivative contracts	Accrued liabilities	**$ 6**	$ 4
Cross-currency swap contracts	Accrued liabilities	**1**	25
Foreign exchange forward contracts	Accrued liabilities	**4**	—
Cross-currency swap contracts	Other liabilities	**1**	29
Total derivatives not designated as hedges		**$ 12**	$ 58
Total liability derivatives		**$ 36**	$ 83

The following table shows the effect of the company's derivative instruments designated as cash-flow hedges for the years ended July 28, 2013 and July 29, 2012, in other comprehensive income (loss) (OCI) and the Consolidated Statements of Earnings:

Derivatives Designated as Cash-Flow Hedges

		Total Cash-Flow Hedge OCI Activity	
		2013	**2012**
OCI derivative gain (loss) at beginning of year		**$ (16)**	$ (31)
Effective portion of changes in fair value recognized in OCI:			
Foreign exchange forward contracts		**—**	13
Cross-currency swap contracts		**1**	—
Forward starting interest rate swaps		**19**	2
Amount of (gain) loss reclassified from OCI to earnings:	**Location in Earnings**		
Foreign exchange forward contracts	Cost of products sold	**1**	(1)
Foreign exchange forward contracts	Other expenses/income	**(1)**	(2)
Forward starting interest rate swaps	Interest expense	**4**	3
OCI derivative gain (loss) at end of quarter		**$ 8**	$ (16)

Based on current valuations, the amount expected to be reclassified from OCI into earnings within the next 12 months is a loss of $1. The ineffective portion and amount excluded from effectiveness testing were not material.

The following table shows the effect of the company's derivative instruments designated as fair-value hedges in the Consolidated Statements of Earnings:

		Amount of Gain (Loss) Recognized in Earnings on Derivatives		Amount of Gain (Loss) Recognized in Earnings on Hedged Item	
Derivatives Designated as Fair-Value Hedges	**Location of Gain (Loss) Recognized in Earnings**	**2013**	**2012**	**2013**	**2012**
Interest rate swaps	Interest expense	**(12)**	(20)	**12**	20

The following table shows the effects of the company's derivative instruments not designated as hedges in the Consolidated Statements of Earnings:

		Amount of Gain (Loss) Recognized in Earnings on Derivatives	
Derivatives not Designated as Hedges	**Location of Gain (Loss) Recognized in Earnings**	**2013**	**2012**
Foreign exchange forward contracts	Cost of products sold	**$ —**	$ 2
Cross-currency swap contracts	Other expenses/income	**39**	67
Commodity derivative contracts	Cost of products sold	**(6)**	(4)
Deferred compensation derivative contracts	Administrative expenses	**16**	3
Total		**$ 49**	$ 68

15. Fair Value Measurements

Financial assets and liabilities are categorized based on the following fair value hierarchy:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with observable market data.
- Level 3: Unobservable inputs, which are valued based on the company's estimates of assumptions that market participants would use in pricing the asset or liability.

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. When available, the company uses unadjusted quoted market prices to measure the fair value and classifies such items as Level 1. If quoted market prices are not available, the company

bases fair value upon internally developed models that use current market-based or independently sourced market parameters such as interest rates and currency rates. Included in the fair value of derivative instruments is an adjustment for credit and nonperformance risk.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents the company's financial assets and liabilities that are measured at fair value on a recurring basis as of July 28, 2013, and July 29, 2012, consistent with the fair value hierarchy:

	Fair Value as of July 28, 2013	Fair Value Measurements at July 28, 2013 Using Fair Value Hierarchy			Fair Value as of July 29, 2012	Fair Value Measurements at July 29, 2012 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Interest rate swaps(1)	**$ 1**	**$ —**	**$ 1**	**$ —**	$ 13	$ —	$ 13	$ —
Forward starting interest rate swaps(1)	**23**	**—**	**23**	**—**	2	—	2	—
Foreign exchange forward contracts(2)	**4**	**—**	**4**	**—**	2	—	2	—
Cross-currency swap contracts(3)	**—**	**—**	**—**	**—**	19	—	19	—
Commodity derivative contracts(4)	**2**	**2**	**—**	**—**	8	5	3	—
Deferred compensation derivative contracts(5)	**2**	**—**	**2**	**—**	1	—	1	—
Total assets at fair value	**$ 32**	**$ 2**	**$ 30**	**$ —**	$ 45	$ 5	$ 40	$ —

	Fair Value as of July 28, 2013	Fair Value Measurements at July 28, 2013 Using Fair Value Hierarchy			Fair Value as of July 29, 2012	Fair Value Measurements at July 29, 2012 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Liabilities								
Foreign exchange forward contracts(2)	**$ 6**	**$ —**	**$ 6**	**$ —**	$ —	$ —	$ —	$ —
Cross-currency swap contracts(3)	**24**	**—**	**24**	**—**	79	—	79	—
Commodity derivative contracts(4)	**6**	**5**	**1**	**—**	4	2	2	—
Deferred compensation obligation(6)	**123**	**123**	**—**	**—**	109	109	—	—

Total liabilities at fair value	**$ 159**	**$ 128**	**$ 31**	**$ —**	$ 192	$ 111	$ 81	$ —

(1) Based on LIBOR swap rates.
(2) Based on observable market transactions of spot currency rates and forward rates.
(3) Based on observable local benchmarks for currency and interest rates.
(4) Based on quoted futures exchanges and on observable prices of futures and options transactions in the marketplace.
(5) Based on LIBOR and equity index swap rates.
(6) Based on the fair value of the participants' investments.

Items Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities that are measured at fair value on a recurring basis, the company is also required to measure certain items at fair value on a nonrecurring basis.

On August 12, 2013, the company announced that it was in final and exclusive negotiations for the potential sale of its simple meals business in Europe. The assets and liabilities of the European business have been reflected in assets and liabilities held for sale in the Consolidated Balance Sheet as of July 28, 2013. The company has reflected the results of the business as discontinued operations in the Consolidated Statements of Earnings for all years presented. The business was historically included in the International Simple Meals and Beverages segment.

In the fourth quarter of 2013, as part of the company's annual review of intangible assets, an impairment charge of $360 was recorded on goodwill for the simple meals business in Europe to reduce the carrying value to the implied fair value of $110. The impairment was attributable to a combination of factors, including the existence of a firm offer to purchase the business; a revised future outlook for the business, with reduced expectations for future sales and discounted cash flows, given the economic uncertainty in the region; future investments required to maintain performance; and management's assumptions on the weighted average cost of capital. Fair value was determined based on discounted cash flow analyses, which are unobservable Level 3 inputs, and taking into account the firm offer. The discounted estimates of future cash flows include significant management assumptions such as revenue growth rates, operating margins, weighted average cost of capital, and future economic and market conditions.

In 2013 and 2012, as part of the company's annual review of intangible assets, impairment charges of $36 and $3 were recognized on trademarks used in the European simple meals business. See also Note 6. Fair value was determined based on unobservable Level 3 inputs. Fair value was determined based on discounted cash flow analysis that include significant management assumptions such as revenue growth rates, weighted average costs of capital, and assumed royalty rates.

The following table presents the company’s fair value measurements of intangible assets that were recognized in the years ended July 28, 2013, and July 29, 2012, respectively:

	2013		**2012**	
Intangible assets	**Impairment**	**Fair Value**	**Impairment**	**Fair Value**
Blå Band	**$ 1**	**$ 19**	$ 3	$ 20
Heisse Tasse	**4**	**6**	—	—
Isomitta	**8**	**4**	—	—
Royco	**23**	**53**	—	—

The company also recognized $99 of accelerated depreciation/asset impairment on plant assets in 2013 associated with the restructuring initiatives described in Note 8. The carrying value of assets was reduced to estimated fair value based on expected proceeds. The carrying value was $29 at July 28, 2013.

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and short-term borrowings, excluding the current portion of long-term debt, approximate fair value.

Cash equivalents of $4 at July 28, 2013 and $80 at July 29, 2012 represent fair value as these highly liquid investments have an original maturity of three months or less. Fair value of cash equivalents is based on Level 2 inputs.

The fair value of long-term debt, including the current portion of long-term debt in Short-term borrowings, was $3,299 at July 28, 2013 and $2,663 at July 29, 2012. The carrying value was $3,244 at July 28, 2013 and $2,408 at July 29, 2012. The fair value of long-term debt is principally estimated using Level 2 inputs based on quoted market prices or pricing models using current market rates.

16. Shareowners' Equity

The company has authorized 560 million shares of Capital stock with $.0375 par value and 40 million shares of Preferred stock, issuable in one or more classes, with or without par as may be authorized by the Board of Directors. No Preferred stock has been issued.

In December 2012, 219 million shares held as treasury stock were retired and returned to unissued status.

Share Repurchase Programs

In June 2011, the Board authorized the purchase of up to $1,000 of company stock. This program has no expiration date. The company suspended purchases under this program in July 2012. Approximately $750 remained available under this program as of July 28, 2013. The company also repurchases shares to offset the impact of dilution from shares issued under the company's stock compensation plans.

In 2013, the company repurchased 4 million shares at a cost of $153.

In 2012 the company repurchased 13 million shares at a cost of $412. Of this amount, $250 was used to repurchase shares pursuant to the company's June 2011 publicly announced share repurchase program.

In 2011, the company repurchased 21 million shares at a cost of $728. Of this amount, $550 was used to repurchase shares pursuant to the company's June 2008 publicly announced share repurchase program, which was completed in the fourth quarter of 2011.

17. Stock-based Compensation

In 2003, shareowners approved the 2003 Long-Term Incentive Plan, which authorized the issuance of 28 million shares to satisfy awards of stock options, stock appreciation rights, unrestricted stock, restricted stock/units (including performance restricted stock) and performance units. Approximately 3.2 million shares available under a previous long-term plan were rolled into the 2003 Long-Term Incentive Plan, making the total number of available shares approximately 31.2 million. In November 2005, shareowners approved the 2005 Long-Term Incentive Plan, which authorized the issuance of an additional 6 million shares to satisfy the same types of awards.

Awards under the 2003 and 2005 Long-Term Incentive Plans may be granted to employees and directors. The term of a stock option granted under these plans may not exceed ten years from the date of grant. Options granted under these plans vest cumulatively over a three-year period at a rate of 30%, 60% and 100%, respectively. The option price may not be less than the fair market value of a share of common stock on the date of the grant.

Pursuant to the Long-Term Incentive Plan, the company adopted a long-term incentive compensation program which provides for grants of total shareowner return (TSR) performance restricted stock/units, EPS performance restricted stock/units, strategic performance restricted stock/units and time-lapse restricted stock/units. Under the program, awards of TSR performance restricted stock/units will be earned by comparing the company's total shareowner return during a three-year period to the respective total shareowner returns of companies in a performance peer group. Based upon the company's ranking in the performance peer group, a recipient of TSR performance restricted stock/units may earn a total award ranging from 0% to 225% of the initial grant. Awards of EPS performance restricted stock/units will be earned based upon the company's achievement of annual earnings per share goals. During the three-year vesting period, a recipient of EPS performance restricted stock/units may earn a total award ranging from 0% to 100% of the initial grant. Awards of the strategic performance restricted stock units are earned based upon the achievement of net sales and EPS growth, compared to strategic plan objectives during a two-year period. A recipient of strategic performance restricted stock units may earn a total award ranging from 0% to 200% of the initial grant. Awards of time-lapse restricted stock/units will vest ratably over the three-year period. In addition, the company may issue special grants of time-lapse restricted stock/units to attract and retain executives which vest ratably over various periods. Awards are generally granted annually in October. Annual stock option grants were not part of the long-term incentive compensation program for 2011, 2012 or 2013. However, stock options may still be granted on a selective basis under the Long-Term Incentive Plans.

In 2013, the company issued time-lapse restricted stock units, EPS performance restricted stock units, strategic performance restricted stock units and TSR performance restricted stock units.

Total pre-tax stock-based compensation expense recognized in Earnings from continuing operations was $109 for 2013, $76 for 2012, and $84 for 2011. The pre-tax stock-based compensation expense recognized in Earnings from discontinued operations was $4 for 2013, and $3 for 2012 and 2011. Tax-related benefits of $42 were recognized for 2013, $29 were recognized for 2012, and $32 were recognized for 2011.

The following table summarizes stock option activity as of July 28, 2013:

	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Aggregate Intrinsic Value
	(Options in thousands)		(In years)	
Outstanding at July 29, 2012	4,254	$ 26.73		
Granted	—	$ —		
Exercised	(3,146)	$ 26.54		
Terminated	(7)	$ 26.36		
Outstanding at July 28, 2013	1,101	$ 27.25	1.2	$ 22
Exercisable at July 28, 2013	1,101	$ 27.25	1.2	$ 22

The total intrinsic value of options exercised during 2013, 2012, and 2011, was $36, $31, and $29, respectively. As of January 2009, compensation related to stock options was fully expensed. The company measured the fair value of stock options using the Black-Scholes option pricing model.

The following table summarizes time-lapse restricted stock units, EPS performance restricted stock units and strategic performance restricted stock units as of July 28, 2013:

	Units	Weighted-Average Grant-Date Fair Value
	(Restricted stock units in thousands)	
Nonvested at July 29, 2012	3,951	$ 33.19
Granted	1,990	$ 35.44
Vested	(1,510)	$ 33.74
Forfeited	(223)	$ 33.70
Nonvested at July 28, 2013	4,208	$ 34.05

The fair value of time-lapse restricted stock units, EPS performance restricted stock units, and strategic performance restricted stock units is determined based on the quoted price of the company's stock at the date of grant. Time-lapse restricted stock units are expensed on a straight-line basis over the vesting period, except for awards issued to retirement-eligible participants, which are expensed on an accelerated basis. EPS performance restricted stock units are expensed on a graded-vesting basis, except for awards issued to retirement-eligible participants, which are expensed on an accelerated basis. There were approximately 269 thousand EPS performance target grants outstanding at July 28, 2013 with a weighted-average grant-date fair value of $34.29. Strategic performance restricted stock units are expensed on a straight-line basis over the service period. Awards of the strategic performance restricted stock units will be earned based upon the achievement of two key metrics, net sales and EPS growth, compared to strategic plan objectives during a two-year period. There were approximately 1.8 million strategic performance target grants outstanding at July 28, 2013 with a weighted-average grant-date fair value of $33.21. The actual number of EPS performance restricted stock units and strategic performance restricted stock units issued at the vesting date could range from 0% to 100% and 0% to 200%, respectively, of the initial grant, depending on actual performance achieved. Expense is estimated based on the number of awards expected to vest.

On July 1, 2011, the company issued approximately 400 thousand special retention time-lapse restricted stock units to certain executives to support successful execution of the company's shift in strategic direction and leadership transition. These awards vested over a period of two years and are included in the table above. The grant-date fair value was $34.65.

As of July 28, 2013, total remaining unearned compensation related to nonvested time-lapse restricted stock units, EPS performance restricted stock units and strategic performance restricted stock units was $50, which will be amortized over the weighted-average remaining service period of 1.4 years. The fair value of restricted stock units vested during 2013, 2012, and 2011 was $57 and $38, and $40, respectively. The weighted-average grant-date fair value of the restricted stock units granted during 2012 and 2011 was $32.38 and $35.64, respectively.

The following table summarizes TSR performance restricted stock units as of July 28, 2013:

	Units	Weighted-Average Grant-Date Fair Value
	(Restricted stock units in thousands)	
Nonvested at July 29, 2012	2,143	$ 37.94
Granted	582	$ 39.76
Vested	—	$ —
Forfeited/Expired	(1,267)	$ 34.25
Nonvested at July 28, 2013	1,458	$ 41.88

The company estimated the fair value of TSR performance restricted stock units at the grant date using a Monte Carlo simulation. Assumptions used in the Monte Carlo simulation were as follows:

	2013	2011
Risk-free interest rate	0.30%	0.59%
Expected dividend yield	3.26%	3.00%
Expected volatility	15.07%	23.71%
Expected term	3 years	3 years

Compensation expense is recognized on a straight-line basis over the service period. As of July 28, 2013, total remaining unearned compensation related to TSR performance restricted stock units was $17, which will be amortized over the weighted-average remaining service period of 1.9 years. In the first quarter of 2013 and 2012, recipients of TSR performance restricted stock units earned 0% of the initial grants based upon the company's TSR ranking in a performance peer group during a three-year period ended July 27, 2012 and three-year period ended July 29, 2011, respectively. In the first quarter of 2014, recipients of TSR performance restricted stock units will receive 0% of the initial grants based upon the company's TSR ranking in a performance peer group during a three-year period ended July 28, 2013. There were no TSR performance restricted stock units granted during 2012.

The excess tax benefits on the exercise of stock options and vested restricted stock presented as cash flows from financing activities were $12 in 2013, $8 in 2012, and $11 in 2011. Cash received from the exercise of stock options was $83, $112, and $96 for 2013, 2012, and 2011, respectively, and are reflected in cash flows from financing activities in the Consolidated Statements of Cash Flows.

18. Commitments and Contingencies

The company is a party to legal proceedings and claims arising out of the normal course of business.

Management assesses the probability of loss for all legal proceedings and claims and has recognized liabilities for such contingencies, as appropriate. Although the results of these matters cannot be predicted with certainty, in management's opinion, the final outcome of legal proceedings and claims will not have a material adverse effect on the consolidated results of operations or financial condition of the company.

The company has certain operating lease commitments, primarily related to warehouse and office facilities, and certain equipment. Rent expense under operating lease commitments was $54 in 2013, $48 in 2012, and $50 in 2011. These amounts included $8 in 2013 and $9 in 2012 and 2011, respectively, related to discontinued operations. Future minimum annual rental payments under these operating leases as of July 28, 2013 are as follows:

2014	2015	2016	2017	2018	Thereafter
$45	$36	$32	$25	$19	$47

Future minimum annual rental payments related to discontinued operations include $8 in 2014; $6 in 2015 and 2016; $3 in 2017; $2 in 2018; and a total of $2 for periods beyond 2018.

The company guarantees approximately 2,000 bank loans made to Pepperidge Farm independent sales distributors by third party financial institutions for the purchase of distribution routes. The maximum potential amount of future payments the company could be required to make under the guarantees is $165. The company's guarantees are indirectly secured by the distribution routes. The

company does not believe it is probable that it will be required to make guarantee payments as a result of defaults on the bank loans guaranteed. The amounts recognized as of July 28, 2013, and July 29, 2012, were not material.

The company has provided certain standard indemnifications in connection with divestitures, contracts and other transactions. Certain indemnifications have finite expiration dates. Liabilities recognized based on known exposures related to such matters were not material at July 28, 2013, or July 29, 2012.

19. Supplemental Financial Statement Data

Balance Sheets

	2013	2012
Accounts receivable		
Customer accounts receivable	**$ 587**	$ 523
Allowances	**(11)**	(10)
Subtotal	**576**	513
Other	**59**	40
	$ 635	$ 553
Inventories		
Raw materials, containers and supplies	**364**	277
Finished products	**561**	437
	$ 925	$ 714
Other current assets		
Deferred taxes	**$ 90**	$ 104
Fair value of derivatives	**9**	35
Other	**36**	30
	$ 135	$ 169
Plant assets		
Land	**$ 59**	$ 62
Buildings	**1,349**	1,260
Machinery and equipment	**4,017**	3,963
Projects in progress	**230**	198
Total cost	**5,655**	5,483
Accumulated depreciation[1]	**(3,395)**	(3,356)
	$ 2,260	$ 2,127
Other assets		
Fair value of derivatives	**$ 23**	$ 10
Deferred taxes	**27**	49
Other	**81**	64
	$ 131	$ 123
Accrued liabilities		
Accrued compensation and benefits	**$ 270**	$ 267
Fair value of derivatives	**35**	29
Accrued trade and consumer promotion programs	**137**	140

Accrued interest	**41**	31
Restructuring	**21**	16
Other	**113**	115
	$ 617	$ 598

	2013	2012
Other liabilities		
Pension benefits	**$ 190**	$ 618
Deferred compensation[(2)]	**112**	96
Postretirement benefits	**361**	386
Fair value of derivatives	**1**	54
Unrecognized tax benefits	**40**	50
Other	**72**	56
	$ 776	$ 1,260

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(1) Depreciation expense was $393 in 2013, $258 in 2012, and $265 in 2011. Depreciation expense of continuing operations was $382 in 2013, $247 in 2012, and $253 in 2011. Buildings are depreciated over periods ranging from 7 to 45 years. Machinery and equipment are depreciated over periods generally ranging from 2 to 20 years.

(2) The deferred compensation obligation represents unfunded plans maintained for the purpose of providing the company's directors and certain of its executives the opportunity to defer a portion of their compensation. All forms of compensation contributed to the deferred compensation plans are accounted for in accordance with the underlying program. Deferrals and company contributions are credited to an investment account in the participant's name, although no funds are actually contributed to the investment account and no investments are actually purchased. Seven investment choices are available, including: (1) a book account that tracks the total return on company stock; (2) a book account that tracks the performance of the Vanguard Institutional Index; (3) a book account that tracks the performance of the Vanguard Extended Market Index; (4) a book account that tracks the performance of the Vanguard Total International Stock Index; (5) a book account that tracks the performance of the Vanguard Total Bond Market Index; (6) a book account that tracks the performance of the Vanguard Short-Term Bond Index; and (7) a book account that tracks the BlackRock Liquidity TempFund. Participants can reallocate investments daily and are entitled to the gains and losses on investment funds. The company recognizes an amount in the Consolidated Statements of Earnings for the market appreciation/depreciation of each fund.

Statements of Earnings

	2013	2012	2011
Other Expenses/(Income)			
Foreign exchange (gains)/losses	**$ 3**	$ (3)	$ 5
Amortization of intangible assets	**14**	1	1
Acquisition related costs	**10**	5	—
Other	**2**	8	4
	$ 29	$ 11	$ 10
Advertising and consumer promotion expense[(1)]	**$ 419**	$ 476	$ 449
Interest expense			
Interest expense	**$ 138**	$ 116	$ 123
Less: Interest capitalized	**3**	2	1
	$ 135	$ 114	$ 122

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(1) Included in Marketing and selling expenses.

Statements of Cash Flows

	2013		2012		2011	
Cash Flows from Operating Activities						
Other non-cash charges to net earnings						
Non-cash compensation/benefit related expense	**$**	**134**	$	106	$	104
Other		**21**		12		4
	$	**155**	$	118	$	108
Other						
Benefit related payments	**$**	**(54)**	$	(84)	$	(48)
Other		**(4)**		(2)		(7)
	$	**(58)**	$	(86)	$	(55)
Other Cash Flow Information						
Interest paid	**$**	**124**	$	115	$	142
Interest received	**$**	**10**	$	8	$	11
Income taxes paid	**$**	**345**	$	300	$	304

20. Quarterly Data (unaudited)

	2013							
	First		Second		Third		Fourth	
Net sales	**$**	**2,205**	**$**	**2,162**	**$**	**1,962**	**$**	**1,723**
Gross profit		**821**		**762**		**706**		**623**
Earnings from continuing operations attributable to Campbell Soup Company		**232**		**171**		**169**		**117**
Earnings (loss) from discontinued operations		**13**		**19**		**12**		**(275)**
Net earnings (loss) attributable to Campbell Soup Company		**245**		**190**		**181**		**(158)**
Per share - basic								
Earnings from continuing operations attributable to Campbell Soup Company		**0.74**		**0.54**		**0.54**		**0.37**
Earnings (loss) from discontinued operations		**0.04**		**0.06**		**0.04**		**(0.88)**
Net earnings (loss) attributable to Campbell Soup Company [(1)]		**0.78**		**0.61**		**0.58**		**(0.50)**
Dividends		**0.29**		**0.58**		**—**		**0.29**
Per share - assuming dilution								
Earnings from continuing operations attributable to Campbell Soup Company		**0.73**		**0.54**		**0.53**		**0.37**
Earnings (loss) from discontinued operations		**0.04**		**0.06**		**0.04**		**(0.87)**
Net earnings (loss) attributable to Campbell Soup Company [(1)]		**0.78**		**0.60**		**0.57**		**(0.50)**
Market price								
High	**$**	**36.28**	**$**	**37.16**	**$**	**46.85**	**$**	**48.83**
Low	**$**	**32.24**	**$**	**34.30**	**$**	**36.09**	**$**	**42.32**

[(1)] The sum of the individual per share amounts may not add due to rounding.

	2013			
	First	**Second**	**Third**	**Fourth**
In 2013, the following charges were recorded in earnings from continuing operations:				
Restructuring charges and related costs (see Note 8)	**$ 27**	**$ 30**	**$ 14**	**$ 19**
Acquisition transaction costs (see Note 3)	**7**	**—**	**—**	**—**
Per share - assuming dilution				
Restructuring charges and related costs	**0.09**	**0.09**	**0.04**	**0.06**
Acquisition transaction costs	**0.02**	**—**	**—**	**—**
In 2013, the following charges were recorded in earnings (loss) from discontinued operations:				
Impairment on the intangible assets of the European business (see Note 6)	**$ —**	**$ —**	**$ —**	**$ 263**
Taxes on the difference between the book value and tax basis of the European business (see Note 12)	**—**	**—**	**—**	**18**
Per share - assuming dilution				
Impairment on the intangible assets of the European business	—	—	—	**0.83**
Taxes on the difference between the book value and tax basis of the European business	—	—	—	**0.06**

	2012			
	First	**Second**	**Third**	**Fourth**
Net sales	$ 2,015	$ 1,943	$ 1,698	$ 1,519
Gross profit	802	750	665	593
Earnings from continuing operations attributable to Campbell Soup Company	250	189	169	126
Earnings from discontinued operations	15	16	8	1
Net earnings attributable to Campbell Soup Company	265	205	177	127
Per share - basic				
Earnings from continuing operations attributable to Campbell Soup Company	0.78	0.59	0.53	0.40
Earnings from discontinued operations	0.05	0.05	0.03	—
Net earnings attributable to Campbell Soup Company [(1)]	0.82	0.64	0.56	0.40
Dividends	0.29	0.29	0.29	0.29
Per share - assuming dilution				
Earnings from continuing operations attributable to Campbell Soup Company	0.77	0.59	0.53	0.39
Earnings from discontinued operations	0.05	0.05	0.03	—
Net earnings attributable to Campbell Soup Company [(1)]	0.82	0.64	0.55	0.40
Market price				
High	$ 34.00	$ 34.12	$ 34.04	$ 34.58
Low	$ 29.69	$ 31.22	$ 31.25	$ 31.32

(1) The sum of the individual per share amounts may not add due to rounding.

	2012			
	First	Second	Third	Fourth
In 2012, the following charges were recorded in earnings from continuing operations:				
Restructuring charges and related costs (see Note 8)	$ 1	$ 1	$ 2	$ —
Acquisition transaction costs (see Note 3)	—	—	—	3
Per share - assuming dilution				
Restructuring charges and related costs	—	—	0.01	—
Acquisition transaction costs	—	—	—	0.01
In 2012, the following charges were recorded in earnings (loss) from discontinued operations:				
Restructuring charges and related costs	$ —	$ 1	$ 1	$ —
Per share - assuming dilution				
Restructuring charges and related costs	—	—	—	—

21. Subsequent Event

On August 8, 2013, the company completed the acquisition of Kelsen for approximately $325, subject to customary purchase price adjustments. Kelsen is a producer of quality baked snacks that are sold in 85 countries around the world. Its primary brands include *Kjeldsens* and *Royal Dansk*. Kelsen has established distribution networks in markets in Asia, the U.S., Europe, the Middle East, South America and Africa.

Reports of Management

Management's Report on Financial Statements

The accompanying financial statements have been prepared by the company's management in conformity with generally accepted accounting principles to reflect the financial position of the company and its operating results. The financial information appearing throughout this Report is consistent with the financial statements. Management is responsible for the information and representations in such financial statements, including the estimates and judgments required for their preparation. The financial statements have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

The Audit Committee of the Board of Directors, which is composed entirely of Directors who are not officers or employees of the company, meets regularly with the company's worldwide internal auditing department, other management personnel, and the independent registered public accounting firm. The independent registered public accounting firm and the internal auditing department have had, and continue to have, direct access to the Audit Committee without the presence of other management personnel, and have been directed to discuss the results of their audit work and any matters they believe should be brought to the Committee's attention. The internal auditing department and the independent registered public accounting firm report directly to the Audit Committee.

Management's Report on Internal Control Over Financial Reporting

The company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America.

The company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The company's management assessed the effectiveness of the company's internal control over financial reporting as of July 28, 2013. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control — Integrated Framework*. Based on this assessment using those criteria, management concluded that the company's internal control over financial reporting was effective as of July 28, 2013.

The effectiveness of the company's internal control over financial reporting as of July 28, 2013 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which appears herein.

/s/ Denise M. Morrison

Denise M. Morrison
President and Chief Executive Officer

/s/ B. Craig Owens

B. Craig Owens
Senior Vice President — Chief Financial
Officer and Chief Administrative Officer

/s/ John P. Waldron

John P. Waldron
Vice President — Controller
(Principal Accounting Officer)

September 26, 2013

Report of Independent Registered Public Accounting Firm

To the Shareowners and Directors of Campbell Soup Company

In our opinion, the consolidated financial statements listed in the index appearing under Item 15(1) present fairly, in all material respects, the financial position of Campbell Soup Company and its subsidiaries at July 28, 2013 and July 29, 2012, and the results of

their operations and their cash flows for each of the three fiscal years in the period ended July 28, 2013 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 28, 2013, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania

September 26, 2013

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

The company, under the supervision and with the participation of its management, including the President and Chief Executive Officer and the Senior Vice President — Chief Financial Officer and Chief Administrative Officer, has evaluated the effectiveness of the company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of July 28, 2013 (Evaluation Date). Based on such evaluation, the President and Chief Executive Officer and the Senior Vice President — Chief Financial Officer and Chief Administrative Officer have concluded that, as of the Evaluation Date, the company's disclosure controls and procedures are effective.

The annual report of management on the company's internal control over financial reporting is provided under "Financial Statements and Supplementary Data" on pages 72-73. The attestation report of PricewaterhouseCoopers LLP, the company's independent registered public accounting firm, regarding the company's internal control over financial reporting is provided under "Financial Statements and Supplementary Data" on page 74.

There were no changes in the company's internal control over financial reporting that materially affected, or were likely to materially affect, such control over financial reporting during the quarter ended July 28, 2013.

Item 9B. ***Other Information***

None.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

The sections entitled "Election of Directors," "Security Ownership of Directors and Executive Officers" and "Director and Executive Officer Stock Ownership Reports" in the company's Proxy Statement for the Annual Meeting of Shareholders to be held on November 20, 2013 (the 2013 Proxy) are incorporated herein by reference. The information presented in the section entitled "Corporate Governance — Board Committee Structure" in the 2013 Proxy relating to the members of the company's Audit Committee and the Audit Committee's financial expert is incorporated herein by reference.

Certain of the information required by this Item relating to the executive officers of the company is set forth under the heading "Executive Officers of the Company."

The company has adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers that applies to the company's Chief Executive Officer, Chief Financial Officer, Controller and members of the Chief Financial Officer's financial leadership team. The Code of Ethics for the Chief Executive Officer and Senior Financial Officers is posted on the company's website, www.campbellsoupcompany.com (under the "Governance" caption). The company intends to satisfy the disclosure requirement regarding any amendment to, or a waiver of, a provision of the Code of Ethics for the Chief Executive Officer and Senior Financial Officers by posting such information on its website.

The company has also adopted a separate Code of Business Conduct and Ethics applicable to the Board of Directors, the company's officers and all of the company's employees. The Code of Business Conduct and Ethics is posted on the company's website, www.campbellsoupcompany.com (under the "Governance" caption). The company's Corporate Governance Standards and the charters of the company's four standing committees of the Board of Directors can also be found at this website. Printed copies of the foregoing are available to any shareowner requesting a copy by:

- writing to Investor Relations, Campbell Soup Company, 1 Campbell Place, Camden, NJ 08103-1799;
- calling 1-800-840-2865; or
- e-mailing the company's Investor Relations Department at investorrelations@campbellsoup.com.

Item 11. ***Executive Compensation***

The information presented in the sections entitled "Compensation Discussion and Analysis," "Fiscal 2013 Summary Compensation Table," "Grants of Plan-Based Awards in Fiscal 2013," "Outstanding Equity Awards at 2013 Fiscal Year-End," "Option Exercises and Stock Vested in Fiscal 2013," "Pension Benefits — Fiscal 2013," "Nonqualified Deferred Compensation — Fiscal 2013," "Potential Payments upon Termination or Change in Control," "Fiscal 2013 Director Compensation," "Corporate Governance — Compensation and Organization Committee Interlocks and Insider Participation" and "Compensation and Organization Committee Report" in the 2013 Proxy is incorporated herein by reference.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Shareowner Matters***

The information presented in the sections entitled "Security Ownership of Directors and Executive Officers" and "Security Ownership of Certain Beneficial Owners" in the 2013 Proxy is incorporated herein by reference.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information about the company's stock that could have been issued under the company's equity compensation plans as of July 28, 2013:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column) (c)
Equity Compensation Plans Approved by Security Holders [1]	6,765,864	$ 27.25	12,351,493
Equity Compensation Plans Not Approved by Security Holders	N/A	N/A	N/A
Total	6,765,864	$ 27.25	12,351,493

(1) Column (a) represents stock options and restricted stock units outstanding under the 2005 Long-Term Plan, the 2003 Long-Term Plan, and the 1994 Long-Term Plan. No additional awards can be made under the 1994 Long-Term Plan. Future equity awards under the 2005 Long-Term Plan and the 2003 Long-Term Plan may take the form of stock options, SARs, performance unit awards, restricted stock, restricted performance stock, restricted stock units or stock awards. Column (b) represents the weighted-average exercise price of the outstanding stock options only; the outstanding restricted stock and restricted stock units are not included in this calculation. Column (c) represents the maximum aggregate number of future equity awards that can be made under the 2005 Long-Term Plan and the 2003 Long-Term Plan as of July 28, 2013. The maximum number of future equity awards that can be made under the 2005 Long-Term Plan as of July 28, 2013 is 7,902,380. The maximum number of future equity awards that can be made under the 2003 Long-Term Plan as of July 28, 2013 is 4,449,113 (the 2003 Plan Limit). Each stock option or SAR awarded under the 2003 Long-Term Plan reduces the 2003 Plan Limit by one share. Each restricted stock unit, restricted stock, restricted performance stock unit, restricted performance stock or stock award under the 2003 Long-Term Plan reduces the 2003 Plan Limit by four shares. In the event any award (or portion thereof) under the 1994 Long-Term Plan lapses, expires or is otherwise terminated without the issuance of any company stock or is settled by delivery of consideration other than company stock, the maximum number of future equity awards that can be made under the 2003 Long-Term Plan automatically increases by the number of such shares.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information presented in the section entitled "Transactions with Related Persons," "Corporate Governance — Director Independence" and "Corporate Governance — Board Committee Structure" in the 2013 Proxy is incorporated herein by reference.

Item 14. ***Principal Accounting Fees and Services***

The information presented in the section entitled "Independent Registered Public Accounting Firm Fees and Services" in the 2013 Proxy is incorporated herein by reference.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

The following documents are filed as part of this report:

1. Financial Statements

Consolidated Statements of Earnings for 2013, 2012 and 2011

Consolidated Statements of Comprehensive Income for 2013, 2012 and 2011

Consolidated Balance Sheets as of July 28, 2013 and July 29, 2012

Consolidated Statements of Cash Flows for 2013, 2012 and 2011

Consolidated Statements of Equity for 2013, 2012 and 2011

Notes to Consolidated Financial Statements

Management's Report on Financial Statements

Management's Report on Internal Control Over Financial Reporting

Report of Independent Registered Public Accounting Firm

2. Financial Statement Schedule

II - Valuation and Qualifying Accounts for 2013, 2012 and 2011

3. Exhibits

3(i)	Campbell's Restated Certificate of Incorporation as amended through February 24, 1997 was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 28, 2002, and is incorporated herein by reference.
3(ii)	Campbell's By-Laws, effective November 14, 2012, were filed with the SEC on a Form 8-K (SEC file number 1-3822) on September 25, 2012, and are incorporated herein by reference.
4(a)	With respect to Campbell's 3.375% notes due 2014, 3.050% notes due 2014, 4.500% notes due 2019, and 4.250% notes due 2021, the form of Indenture between Campbell and The Bank of New York Mellon, as Trustee, and the associated form of security were filed with the SEC with Campbell's Registration Statement No. 333-155626, and are incorporated herein by reference.
4(b)	With respect to Campbell's floating rate notes due 2014, 2.500% notes due 2022, and 3.800% notes due 2042, the the form of Indenture between Campbell and The Bank of New York Mellon, as Trustee, was filed with the SEC with Campbell's Registration Statement No. 333-155626, and the form of First Supplemental Indenture among Campbell, The Bank of New York Mellon and Wells Fargo Bank, National Association, as Series Trustee, as well the associated form of security, were filed with the SEC on a Form 8-K (SEC file number 1-3822) on August 2, 2012, and are incorporated herein by reference.
4(c)	Except as described in 4(a) and 4(b) above, there is no instrument with respect to long-term debt of the company that involves indebtedness or securities authorized thereunder exceeding 10 percent of the total assets of the company and its subsidiaries on a consolidated basis. The company agrees to file a copy of any instrument or agreement defining the rights of holders of long-term debt of the company upon request of the SEC.
9	Major Stockholders' Voting Trust Agreement dated June 2, 1990, as amended, was filed with the SEC by (i) Campbell as Exhibit 99.C to Campbell's Schedule 13E-4 (SEC file number 5-7735) filed on September 12, 1996, and (ii) with respect to certain subsequent amendments, the Trustees of the Major Stockholders' Voting Trust as Exhibit 99.G to Amendment No. 7 to their Schedule 13D (SEC file number 5-7735) dated March 3, 2000, and as Exhibit 99.M to Amendment No. 8 to their Schedule 13D (SEC file number 5-7735) dated January 26, 2001, and as Exhibit 99.P to Amendment No. 9 to their Schedule 13D (SEC file number 5-7735) dated September 30, 2002, and is incorporated herein by reference.
10(a)	Campbell Soup Company 1994 Long-Term Incentive Plan, as amended on November 17, 2000, was filed with the SEC with Campbell's 2000 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
10(b)	Campbell Soup Company 2003 Long-Term Incentive Plan, as amended and restated on September 25, 2008, was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended August 3, 2008, and is incorporated herein by reference.
10(c)	Campbell Soup Company 2005 Long-Term Incentive Plan, as amended and restated on November 18, 2010, was filed with the SEC with Campbell's 2010 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
10(d)	Campbell Soup Company Annual Incentive Plan, as amended on November 18, 2004, was filed with the SEC with Campbell's 2004 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.

10(e) Campbell Soup Company Mid-Career Hire Pension Plan, as amended and restated effective as of January 1, 2009, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended February 1, 2009, and is incorporated herein by reference.

10(f) First Amendment to the Campbell Soup Company Mid-Career Hire Pension Plan, effective as of December 31, 2010, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 30, 2011, and is incorporated herein by reference.

10(g) Deferred Compensation Plan, effective November 18, 1999, was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 30, 2000, and is incorporated herein by reference.

10(h)	Campbell Soup Company Supplemental Retirement Plan (formerly known as Deferred Compensation Plan II), as amended and restated effective as of January 1, 2011, was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.
10(i)	Severance Protection Agreement dated January 8, 2001, with Douglas R. Conant, Campbell's President and Chief Executive Officer through fiscal 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 28, 2001, and is incorporated herein by reference. Agreements with the existing executive officers listed under the heading "Executive Officers of the Company" (other than Carlos Barroso, Luca Mignini, B. Craig Owens and Michael P. Senackerib) are in all material respects the same as Mr. Conant's agreement.
10(j)	Amendment to the Severance Protection Agreement dated February 26, 2008, with Douglas R. Conant, Campbell's President and Chief Executive Officer through fiscal 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference. Amendments with the existing executive officers listed under the heading "Executive Officers of the Company" (other than Carlos Barroso, Luca Mignini, B. Craig Owens and Michael P. Senackerib) are in all material respects the same as Mr. Conant's agreement.
10(k)	Form of U.S. Severance Protection Agreement, which is applicable to executives hired after March 1, 2008 and before August 1, 2011 (such as B. Craig Owens), was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference.
10(l)	Form of Non-U.S. Severance Protection Agreement, which is applicable to executives hired after March 1, 2008 and before August 1, 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference.
10(m)	Form of U.S. Severance Protection Agreement, which is applicable to executives hired on or after August 1, 2011 (such as Carlos Barroso and Michael P. Senackerib), was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.
10(n)	Form of Non-U.S. Severance Protection Agreement, which is applicable to executives hired on or after August 1, 2011 (such as Luca Mignini), was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.
10(o)	Campbell Soup Company Severance Pay Plan for Salaried Employees, as amended and restated effective January 1, 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended May 1, 2011, and is incorporated herein by reference.
10(p)	Campbell Soup Company Supplemental Employees' Retirement Plan, as amended and restated effective January 1, 2009, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended February 1, 2009, and is incorporated herein by reference.
10(q)	First Amendment to the Campbell Soup Company Supplemental Employees' Retirement Plan, effective as of December 31, 2010, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 30, 2011, and is incorporated herein by reference.
10(r)	2003 Long-Term Incentive Plan Time-Lapse Restricted Stock Unit Agreement, dated as of November 1, 2008, between the company and B. Craig Owens was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference.
10(s)	Form of 2005 Long-Term Incentive Plan Time-Lapse Restricted Stock Unit Agreement, which is applicable to the July 1, 2011 restricted stock unit grants to each of B. Craig Owens, Ellen O. Kaden and Mark R. Alexander, was filed with the SEC on a Form 8-K (SEC file number 1-3822) on July 1, 2011, and is incorporated herein by reference.
21	Subsidiaries (Direct and Indirect) of the company.
23	Consent of Independent Registered Public Accounting Firm.

24	Power of Attorney.
31(a)	Certification of Denise M. Morrison pursuant to Rule 13a-14(a).
31(b)	Certification of B. Craig Owens pursuant to Rule 13a-14(a).
32(a)	Certification of Denise M. Morrison pursuant to 18 U.S.C. Section 1350.
32(b)	Certification of B. Craig Owens pursuant to 18 U.S.C. Section 1350.

101.INS	XBRL Instance Document
101.SCH	XBRL Schema Document
101.CAL	XBRL Calculation Linkbase Document
101.DEF	XBRL Definition Linkbase Document
101.LAB	XBRL Label Linkbase Document
101.PRE	XBRL Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Campbell has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 26, 2013

CAMPBELL SOUP COMPANY

By: /s/ B. Craig Owens

B. Craig Owens

Senior Vice President - Chief Financial Officer and Chief Administrative Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Campbell and in the capacity and on the date indicated.

Date: September 26, 2013

/s/ B. Craig Owens	/s/ John P. Waldron
B. Craig Owens	John P. Waldron
Senior Vice President - Chief Financial Officer and Chief Administrative Officer	Vice President — Controller

Paul R. Charron	Chairman and Director	}
Denise M. Morrison	President, Chief Executive	}
	Officer and Director	}
Edmund M. Carpenter	Director	}
Bennett Dorrance	Director	}

Lawrence C. Karlson	Director	}	
Randall W. Larrimore	Director	}	By: /s/ Ellen Oran Kaden
Mary Alice D. Malone	Director	}	Ellen Oran Kaden
Sara Mathew	Director	}	Senior Vice President — Chief Legal and Public Affairs Officer
Charles R. Perrin	Director	}	
A. Barry Rand	Director	}	
Nick Shreiber	Director	}	
Tracey T. Travis	Director	}	
Archbold D. van Beuren	Director	}	
Les C. Vinney	Director	}	
Charlotte C. Weber	Director	}	

Schedule II

CAMPBELL SOUP COMPANY
Valuation and Qualifying Accounts

For the Fiscal Years ended July 28, 2013, July 29, 2012, and July 31, 2011
(Millions)

	Balance at Beginning of Period	Charged to/ (Reduction In) Costs and Expenses	Deductions	Balance at End of Period
Fiscal year ended July 28, 2013				
Cash discount	**$ 4**	**$ 114**	**$ (113)**	**$ 5**
Bad debt reserve	**2**	**1**	**(1)**	**2**
Returns reserve(1)	**4**	**1**	**(1)**	**4**
Total Accounts receivable allowances	**$ 10**	**$ 116**	**$ (115)**	**$ 11**
Fiscal year ended July 29, 2012				
Cash discount	$ 5	$ 112	$ (113)	$ 4
Bad debt reserve	2	1	(1)	2
Returns reserve(1)	4	—	—	4
Total Accounts receivable allowances	$ 11	$ 113	$ (114)	$ 10
Fiscal year ended July 31, 2011				
Cash discount	$ 5	$ 113	$ (113)	$ 5
Bad debt reserve	4	2	(4)	2
Returns reserve(1)	8	(2)	(2)	4
Total Accounts receivable allowances	$ 17	$ 113	$ (119)	$ 11

(1) The returns reserve is evaluated quarterly and adjusted accordingly. During each period, returns are charged to net sales in the Consolidated Statements of Earnings as incurred. Actual returns were approximately $124 in 2013, $122 in 2012, and $145 in 2011, or approximately 2% of net sales.

INDEX TO EXHIBITS

3(i)	Campbell’s Restated Certificate of Incorporation as amended through February 24, 1997 was filed with the SEC with Campbell’s Form 10-K (SEC file number 1-3822) for the fiscal year ended July 28, 2002, and is incorporated herein by reference.
3(ii)	Campbell’s By-Laws, effective November 14, 2012, were filed with the SEC on a Form 8-K (SEC file number 1-3822) on September 25, 2012, and are incorporated herein by reference.
4(a)	With respect to Campbell’s 3.375% notes due 2014, 3.050% notes due 2014, 4.500% notes due 2019, and 4.250% notes due 2021, the form of Indenture between Campbell and The Bank of New York Mellon, as Trustee, and the associated form of security were filed with the SEC with Campbell’s Registration Statement No. 333-155626, and are incorporated herein by reference.
4(b)	With respect to Campbell's floating rate notes due 2014, 2.500% notes due 2022, and 3.800% notes due 2042, the the form of Indenture between Campbell and The Bank of New York Mellon, as Trustee, was filed with the SEC with Campbell's Registration Statement No. 333-155626, and the form of First Supplemental Indenture among Campbell, The Bank of New York Mellon and Wells Fargo Bank, National Association, as Series Trustee, as well as the associated form of security, were filed with the SEC on a Form 8-K (SEC file number 1-3822) on August 2, 2012, and are incorporated herein by reference.
4(c)	Except as described in 4(a) and 4(b) above, there is no instrument with respect to long-term debt of the company that involves indebtedness or securities authorized thereunder exceeding 10 percent of the total assets of the company and its subsidiaries on a consolidated basis. The company agrees to file a copy of any instrument or agreement defining the rights of holders of long-term debt of the company upon request of the SEC.
9	Major Stockholders’ Voting Trust Agreement dated June 2, 1990, as amended, was filed with the SEC by (i) Campbell as Exhibit 99.C to Campbell’s Schedule 13E-4 (SEC file number 5-7735) filed on September 12, 1996, and (ii) with respect to certain subsequent amendments, the Trustees of the Major Stockholders’ Voting Trust as Exhibit 99.G to Amendment No. 7 to their Schedule 13D (SEC file number 5-7735) dated March 3, 2000, and as Exhibit 99.M to Amendment No. 8 to their Schedule 13D (SEC file number 5-7735) dated January 26, 2001, and as Exhibit 99.P to Amendment No. 9 to their Schedule 13D (SEC file number 5-7735) dated September 30, 2002, and is incorporated herein by reference.
10(a)	Campbell Soup Company 1994 Long-Term Incentive Plan, as amended on November 17, 2000, was filed with the SEC with Campbell’s 2000 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
10(b)	Campbell Soup Company 2003 Long-Term Incentive Plan, as amended and restated on September 25, 2008, was filed with the SEC with Campbell’s Form 10-K (SEC file number 1-3822) for the fiscal year ended August 3, 2008, and is incorporated herein by reference.
10(c)	Campbell Soup Company 2005 Long-Term Incentive Plan, as amended and restated on November 18, 2010, was filed with the SEC with Campbell’s 2010 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
10(d)	Campbell Soup Company Annual Incentive Plan, as amended on November 18, 2004, was filed with the SEC with Campbell’s 2004 Proxy Statement (SEC file number 1-3822), and is incorporated herein by reference.
10(e)	Campbell Soup Company Mid-Career Hire Pension Plan, as amended and restated effective as of January 1, 2009, was filed with the SEC with Campbell’s Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended February 1, 2009, and is incorporated herein by reference.

10(f) First Amendment to the Campbell Soup Company Mid-Career Hire Pension Plan, effective as of December 31, 2010, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 30, 2011, and is incorporated herein by reference.

10(g) Deferred Compensation Plan, effective November 18, 1999, was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 30, 2000, and is incorporated herein by reference.

10(h) Campbell Soup Company Supplemental Retirement Plan (formerly known as Deferred Compensation Plan II), as amended and restated effective as of January 1, 2011, was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.

10(i) Severance Protection Agreement dated January 8, 2001, with Douglas R. Conant, Campbell's President and Chief Executive Officer through fiscal 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 28, 2001, and is incorporated herein by reference. Agreements with the existing executive officers listed under the heading "Executive Officers of the Company" (other than Carlos Barroso, Luca Mignini, B. Craig Owens and Michael P. Senackerib) are in all material respects the same as Mr. Conant's agreement.

10(j) Amendment to the Severance Protection Agreement dated February 26, 2008, with Douglas R. Conant, Campbell's President and Chief Executive Officer through fiscal 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference. Amendments with the existing executive officers listed under the heading "Executive Officers of the Company" (other than Carlos Barroso, Luca Mignini, B. Craig Owens and Michael P. Senackerib) are in all material respects the same as Mr. Conant's agreement.

10(k) Form of U.S. Severance Protection Agreement, which is applicable to executives hired after March 1, 2008 and before August 1, 2011 (such as B. Craig Owens), was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference.

10(l) Form of Non-U.S. Severance Protection Agreement, which is applicable to executives hired after March 1, 2008 and before August 1, 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended November 2, 2008, and is incorporated herein by reference.

10(m) Form of U.S. Severance Protection Agreement, which is applicable to executives hired on or after August 1, 2011 (such as Carlos Barroso and Michael P. Senackerib), was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.

10(n) Form of Non-U.S. Severance Protection Agreement, which is applicable to executives hired on or after August 1, 2011 (such as Luca Mignini), was filed with the SEC with Campbell's Form 10-K (SEC file number 1-3822) for the fiscal year ended July 31, 2011, and is incorporated herein by reference.

10(o) Campbell Soup Company Severance Pay Plan for Salaried Employees, as amended and restated effective January 1, 2011, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended May 1, 2011, and is incorporated herein by reference.

10(p) Campbell Soup Company Supplemental Employees' Retirement Plan, as amended and restated effective January 1, 2009, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended February 1, 2009, and is incorporated herein by reference.

10(q) First Amendment to the Campbell Soup Company Supplemental Employees' Retirement Plan, effective as of December 31, 2010, was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the fiscal quarter ended January 30, 2011, and is incorporated herein by reference.

10(r) 2003 Long-Term Incentive Plan Time-Lapse Restricted Stock Unit Agreement, dated as of November 1, 2008, between the company and B. Craig Owens was filed with the SEC with Campbell's Form 10-Q (SEC file number 1-3822) for the

fiscal quarter ended November 2, 2008, and is incorporated herein by reference.

10(s)	Form of 2005 Long-Term Incentive Plan Time-Lapse Restricted Stock Unit Agreement, which is applicable to the July 1, 2011 restricted stock unit grants to each of B. Craig Owens, Ellen O. Kaden and Mark R. Alexander, was filed with the SEC on a Form 8-K (SEC file number 1-3822) on July 1, 2011, and is incorporated herein by reference.
21	Subsidiaries (Direct and Indirect) of the company.
23	Consent of Independent Registered Public Accounting Firm.
24	Power of Attorney.
31(a)	Certification of Denise M. Morrison pursuant to Rule 13a-14(a).
31(b)	Certification of B. Craig Owens pursuant to Rule 13a-14(a).
32(a)	Certification of Denise M. Morrison pursuant to 18 U.S.C. Section 1350.
32(b)	Certification of B. Craig Owens pursuant to 18 U.S.C. Section 1350.
101.INS	XBRL Instance Document
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EXHIBIT D

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report
(Date of Earliest Event Reported):
June 9, 2021

Campbell's ®

CAMPBELL SOUP COMPANY

New Jersey	1-3822	21-0419870
State of Incorporation	Commission File Number	I.R.S. Employer Identification No.

One Campbell Place
Camden, New Jersey 08103-1799
Principal Executive Offices

Telephone Number: (856) 342-4800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ **Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**

☐ **Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**

☐ **Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**

☐ **Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-(c))**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Capital Stock, par value $.0375	CPB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 – Results of Operations and Financial Condition

On June 9, 2021, Campbell Soup Company issued a press release announcing financial results for the quarter ended May 2, 2021, a copy of which is attached as Exhibit 99.1.

The information in this Item 2.02 and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

99.1	Release dated June 9, 2021 announcing financial results for the quarter ended May 2, 2021.
104	The cover page from this Current Report on Form 8-K formatted in Inline XBRL.

EXHIBIT INDEX

Exhibit No.	
99.1	Release dated June 9, 2021 announcing financial results for the quarter ended May 2, 2021.
104	The cover page from this Current Report on Form 8-K formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAMPBELL SOUP COMPANY
(Registrant)

Date: June 9, 2021

By: /s/ Mick Beekhuizen
Mick Beekhuizen
Executive Vice President and Chief Financial Officer

EXHIBIT E

EX-99.1 2 exhibit991-q32021.htm EX-99.1

FOR IMMEDIATE RELEASE

CAMPBELL REPORTS THIRD-QUARTER FISCAL 2021 RESULTS

- Net Sales decreased 11% as a result of lapping the demand surge at the onset of the pandemic in the prior year.
- Earnings Before Interest and Taxes (EBIT) was $272 million, comparable to prior year. Adjusted EBIT decreased 27% to $283 million.
- Earnings Per Share (EPS) from Continuing Operations decreased 2% to $0.54. Adjusted EPS decreased 31% to $0.57.
- Nearly 75% of brand portfolio grew or held share highlighting strong brand health and continued momentum.
- Updates full-year fiscal 2021 guidance.

CAMDEN, N.J., June 9, 2021—Campbell Soup Company (NYSE:CPB) today reported results for its third-quarter fiscal 2021 ended May 2, 2021.

Continuing Operations	**Three Months Ended**			**Nine Months Ended**		
($ in millions, except per share)	**May 2, 2021**	**Apr. 26, 2020**	**% Change**	**May 2, 2021**	**Apr. 26, 2020**	**% Change**
Net Sales						
As Reported (GAAP)	**$1,984**	$2,238	(11)%	**$6,603**	$6,583	—%
Organic			(12)%			1%
Earnings Before Interest and Taxes (EBIT)						
As Reported (GAAP)	**$272**	$273	—%	**$1,134**	$940	21%
Adjusted	**$283**	$386	(27)%	**$1,139**	$1,142	—%
Diluted Earnings Per Share						
As Reported (GAAP)	**$0.54**	$0.55	(2)%	**$2.36**	$1.66	42%
Adjusted	**$0.57**	$0.83	(31)%	**$2.43**	$2.34	4%

Note: A detailed reconciliation of the reported (GAAP) financial information to the adjusted financial information is included at the end of this news release.

CEO Comments

Mark Clouse, Campbell's President and CEO, said, "While we recognized the third quarter would be a challenging net sales comparison to the demand surge at the onset of the COVID-19 pandemic a year ago, we faced additional headwinds. Our results were impacted by a rising inflationary environment, short-term increases in supply chain costs, and some executional pressures as we continued to advance our transformation agenda, primarily in our Snacks division. We are confident that these are all addressable, and we are taking appropriate actions, including putting pricing in place for the next fiscal year. Our confidence is further strengthened by the underlying health of our brands. Nearly three-quarters

of our portfolio gained or held share in the quarter, with most of our core categories having grown at higher rates than pre-pandemic levels."

Items Impacting Comparability for Continuing Operations

The table below presents a summary of items impacting comparability in each period. A detailed reconciliation of the reported (GAAP) financial information to the adjusted information is included at the end of this news release.

	Diluted Earnings Per Share			
	Three Months Ended		Nine Months Ended	
	May 2, 2021	Apr. 26, 2020	May 2, 2021	Apr. 26, 2020
As Reported (GAAP)	**$0.54**	$0.55	**$2.36**	$1.66
Restructuring charges, implementation costs and other related costs associated with cost savings initiatives	**$0.04**	$0.04	**$0.10**	$0.13
Net pension settlement (gains) / losses	**$(0.01)**	$0.13	**$(0.10)**	$0.11
Deferred tax charge	**$—**	$—	**$0.06**	$—
Investment losses	**$—**	$0.12	**$—**	$0.12
Charges associated with divestiture	**$—**	$—	**$—**	$0.13
Loss on extinguishment of debt	**$—**	$—	**$—**	$0.19
Adjusted*	**$0.57**	$0.83	**$2.43**	$2.34

*Numbers may not add due to rounding.

Third-Quarter Results from Continuing Operations

Net sales decreased 11% to $1.98 billion and organic net sales decreased 12% primarily as a result of lapping unprecedented demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter.

Gross margin decreased to 31.7% from 34.5% last year. Excluding items impacting comparability, adjusted gross margin decreased 290 basis points to 31.8% as higher cost inflation and other supply chain costs, as well as unfavorable mix and reduced operating leverage were partially offset by a net benefit from the change in mark-to-market adjustments on outstanding commodity hedges, supply chain productivity improvements and cost savings initiatives.

Marketing and selling expenses decreased 15% to $202 million driven by lower advertising and consumer promotion expense (A&C), lower incentive compensation, lower selling expenses and the benefits of cost savings initiatives. A&C decreased 14% primarily due to a reduction of spending in U.S. soup. As a percentage of sales, marketing and selling expenses were 10.2% compared to 10.7% in the prior year.

Administrative expenses decreased 1% to $153 million. Excluding items impacting comparability, adjusted administrative expenses decreased by $2 million, or 1%, to $142 million driven primarily by lower incentive compensation partially offset by higher benefit-related costs.

Other income was $23 million compared to other expenses of $81 million in the prior year. Excluding items impacting comparability, adjusted other income was $19 million compared to $18 million in the prior year.

As reported EBIT of $272 million was comparable to prior year. Excluding items impacting comparability, adjusted EBIT decreased 27% to $283 million primarily due to sales volume declines and lower adjusted gross margin performance, partially offset by lower marketing and selling expenses.

Net interest expense was $53 million compared to $55 million in the prior year reflecting lower levels of debt. The tax rate was 24.2% as compared to 23.9% in the prior year. Excluding items impacting comparability, the adjusted tax rate increased 70 basis points to 24.3% from 23.6%.

As reported EPS from continuing operations were $0.54 per share. Excluding items impacting comparability, adjusted EPS from continuing operations decreased 31% to $0.57 primarily reflecting the decrease in adjusted EBIT.

Nine-Month Results from Continuing Operations

Net sales of $6.60 billion were comparable to prior year. Organic net sales increased 1% from the prior year driven by lower promotional spending in both divisions. Meals & Beverages increased 1%, driven by growth in U.S. soup and *V8* beverages, partially offset by declines in foodservice. In Snacks, organic net sales were flat as declines in *Lance* sandwich crackers and in partner brands within the Snyder's-Lance portfolio were offset by gains in salty snacks and fresh bakery products.

As reported EBIT increased 21% to $1.13 billion. Excluding items impacting comparability, adjusted EBIT of $1.14 billion was comparable to prior year, reflecting lower adjusted gross margin performance and increased adjusted administrative expenses offset by lower adjusted marketing and selling expenses, higher adjusted other income and sales volume gains. Within marketing and selling expenses, lower selling and other marketing costs were partially offset by a 3% increase in A&C.

Net interest expense was $162 million compared to $281 million in the prior year. Excluding items impacting comparability in the prior year, adjusted net interest expense decreased 21% from $206 million in the prior year to $162 million reflecting lower levels of debt. The tax rate was 25.9% as compared to

23.2% in the prior year. Excluding items impacting comparability, the adjusted tax rate of 24.1% was comparable to the prior year.

The company reported EPS from continuing operations of $2.36 per share. Excluding items impacting comparability, adjusted EPS from continuing operations increased 4% to $2.43 per share primarily reflecting lower adjusted net interest expense.

Cash flows from operations decreased from $1.13 billion in the prior year to $881 million primarily due to changes in working capital, principally lower accrued liabilities and a significant increase in accounts payable in the prior year. Capital investments were $190 million compared to $220 million in the prior year. The decline was primarily due to capital expenditures associated with discontinued operations in the prior year. In line with the company's commitment to returning value to shareholders, the company paid $327 million of cash dividends.

Share Repurchase

Effective today, the Board of Directors authorized a new anti-dilutive share repurchase program of up to $250 million to offset the impact of dilution from shares issued under the company's stock compensation programs. The program has no expiration date, but it may be suspended or discontinued at any time. Repurchases under the program may be made in open-market or privately negotiated transactions. The company's March 2017 strategic share repurchase program remains suspended.

Cost Savings Program from Continuing Operations

In the third quarter of fiscal 2021, Campbell achieved $20 million in savings under its multi-year cost savings program, inclusive of Snyder's-Lance synergies, bringing total program-to-date savings to approximately $780 million. Campbell remains on track to deliver annualized savings of $850 million by the end of fiscal 2022.

Campbell Updates Full-Year Fiscal 2021 Guidance

Campbell is updating its full-year fiscal 2021 guidance to reflect its third-quarter results and the impact of the sale of the Plum baby food and snacks business on May 3, 2021. In the fourth quarter, the company expects continued margin pressure related to its transition out of the COVID-19 environment, and more pronounced inflation while pricing actions take hold in the beginning of fiscal 2022. As a reminder, fiscal 2020 benefited from a 53rd week, which was estimated to be worth 2 percentage points of net sales, and approximately $0.04 on adjusted EPS.

Based on the foregoing, the company is now providing full-year fiscal 2021 guidance as set forth in the table below:

Continuing Operations	FY 2020 Results	Previous FY 2021 Guidance	Updated FY 2021 Guidance
($ in millions, except per share)			
Net Sales	$8,691	-3.5% to -2.5%	-3.5% to -3.0%
Organic Net Sales	$8,492 *	-1.5% to -0.5%	-1.2% to -0.7%
Adjusted EBIT	$1,449 *	-1% to +1%	-5% to -4%
Adjusted EPS	$2.95 *	+3% to +5%	-2% to -1%
		$3.03 to $3.11	$2.90 to $2.93

* Adjusted - refer to the detailed reconciliation of the reported (GAAP) financial information to the adjusted financial information at the end of this news release.

Note: A non-GAAP reconciliation is not provided for 2021 guidance as certain amounts are not estimable, such as pension and postretirement mark-to-market adjustments, and these items are not considered to reflect the company's ongoing business results.

Segment Operating Review

An analysis of net sales and operating earnings by reportable segment follows:

	Three Months Ended May 2, 2021 ($ in millions)		
	Meals & Beverages*	**Snacks**	**Total***
Net Sales, as Reported	$1,039	$945	$1,984
Volume and Mix	(15)%	(9)%	(12)%
Price and Sales Allowances	(1)%	1%	—%
Promotional Spending	—%	—%	—%
Organic Net Sales	(15)%	(8)%	(12)%
Currency	1%	—%	—%
% Change vs. Prior Year	(14)%	(8)%	(11)%
Segment Operating Earnings	$179	$109	
% Change vs. Prior Year	(35)%	(29)%	

*Numbers do not add due to rounding.

Note: A detailed reconciliation of the reported (GAAP) net sales to organic net sales is included at the end of this news release.

	Nine Months Ended May 2, 2021 ($ in millions)		
	Meals & Beverages*	Snacks*	Total*
Net Sales, as Reported	$3,681	$2,922	$6,603
Volume and Mix	—%	(2)%	(1)%
Price and Sales Allowances	(1)%	—%	—%
Promotional Spending	1%	1%	1%
Organic Net Sales	1%	—%	1%
Currency	—%	—%	—%
Divestiture	—%	(1)%	—%
% Change vs. Prior Year	1%	(1)%	—%
Segment Operating Earnings	$770	$392	
% Change vs. Prior Year	(4)%	(6)%	

*Numbers do not add due to rounding.

Note: A detailed reconciliation of the reported (GAAP) net sales to organic net sales is included at the end of this news release.

Meals & Beverages

Net sales in the quarter decreased 14% and organic net sales decreased 15% primarily due to declines across U.S. retail products, including U.S. soup and *Prego* pasta sauces as well as declines in Canada and foodservice. Volume decreased in U.S. retail driven by lapping increased demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter. Sales of U.S. soup decreased 21% due to volume declines in condensed soups, ready-to-serve soups and broth.

Segment operating earnings decreased 35%. The decrease was primarily due to sales volume declines and lower gross margin performance partially offset by lower marketing and selling expenses. Gross margin performance was impacted by higher cost inflation and other supply chain costs, reduced operating leverage and unfavorable product mix, partially offset by the benefits of supply chain productivity improvements.

Snacks

Net sales in the quarter, both reported and organic, decreased 8% driven by volume declines within the salty snacks portfolio, including *Pop Secret* popcorn, *Cape Cod* potato chips and *Snyder's of Hanover* pretzels, as well as in *Lance* sandwich crackers, partner brands and fresh bakery. Volume declines were partially driven by lapping increased demand of food purchases for at-home consumption at the onset of the COVID-19 pandemic in the prior-year quarter.

Segment operating earnings decreased 29% for the quarter driven by lower gross margin performance and sales volume declines, partially offset by lower marketing and selling expenses and lower administrative expenses. Gross margin performance was impacted by higher cost inflation and other

supply chain costs, reduced operating leverage and unfavorable product mix, partially offset by the benefits of supply chain productivity improvements.

Corporate

Corporate expenses were $14 million in the third quarter of fiscal 2021 compared to $156 million in the prior year. Corporate expenses in the third quarter of fiscal 2021 included costs of $13 million related to cost savings initiatives and pension settlement gains of $4 million. Corporate expenses in the third quarter of fiscal 2020 included pension settlement charges of $54 million, investment losses of $45 million and costs of $14 million related to cost savings initiatives. Excluding these amounts, the remaining decrease in expenses was primarily due to mark-to-market gains on outstanding commodity hedges in the current year compared to losses in the prior year, partially offset by higher administrative expenses.

Conference Call and Webcast

Campbell will host a conference call to discuss these results today at 8:00 a.m. Eastern Time. Participants calling from the U.S. may dial in using the toll-free phone number 833-329-1694. Participants calling from outside the U.S. may dial in using phone number +1 236-714-3946. The conference access code is 9188518. In addition to dial-in, access to a live audio webcast of the call with accompanying slides, as well as a replay of the call, will be available at investor.campbellsoupcompany.com/events-and-presentations. A recording of the call will also be available until 11:59 p.m. ET on June 22, 2021, at +1 416-621-4642 or 800-585-8367. The access code for the replay is 9188518.

Reportable Segments

Campbell Soup Company earnings results are reported as follows:

> **Meals & Beverages** includes the retail and foodservice businesses in the U.S. and Canada. The segment includes the following products: *Campbell's* condensed and ready-to-serve soups; *Swanson* broth and stocks; *Pacific Foods* broth, soups and non-dairy beverages; *Prego* pasta sauces; *Pace* Mexican sauces; *Campbell's* gravies, pasta, beans and dinner sauces; *Swanson* canned poultry; *Plum* baby food and snacks; *V8* juices and beverages; and *Campbell's* tomato juice.
>
> **Snacks** includes Pepperidge Farm cookies, crackers, fresh bakery and frozen products in U.S. retail, including *Pepperidge Farm* Farmhouse* cookies and bakery products, *Milano** cookies and *Goldfish** crackers; and *Snyder's of Hanover** pretzels, *Lance** sandwich crackers, *Cape Cod* and Kettle Brand** potato chips, *Late July** snacks, *Snack Factory Pretzel Crisps,* Pop Secret* popcorn, *Emerald* nuts, and other snacking products in the U.S. and Canada. The segment also includes the retail business in Latin America. We refer to the * trademarks as our "power brands."

About Campbell Soup Company

Campbell (NYSE:CPB) is driven and inspired by our purpose, "Real food that matters for life's moments." For generations, people have trusted Campbell to provide authentic, flavorful and affordable snacks, soups and simple meals, and beverages. Founded in 1869, Campbell has a heritage of giving back and acting as a good steward of the planet's natural resources. The company is a member of the Standard and Poor's 500 and the FTSE4Good Index. For more information, visit www.campbellsoupcompany.com or follow company news on Twitter via [@CampbellSoupCo](https://twitter.com/CampbellSoupCo).

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Forward-Looking Statements

This release contains “forward-looking statements” that reflect the company’s current expectations about the impact of its future plans and performance on the company’s business or financial results. These forward-looking statements, including any statements made regarding sales, EBIT and EPS guidance, rely on a number of assumptions and estimates that could be inaccurate and which are subject to risks and uncertainties. The factors that could cause the company’s actual results to vary materially from those anticipated or expressed in any forward-looking statement include: (1) impacts of, and associated responses to, the COVID-19 pandemic on our business, suppliers, customers, consumers and employees; (2) the company’s ability to execute on and realize the expected benefits from its strategy, including growing sales in snacks and maintaining its market share position in soup; (3) the impact of strong competitive responses to the company’s efforts to leverage its brand power with product innovation, promotional programs and new advertising; (4) the risks associated with trade and consumer acceptance of product improvements, shelving initiatives, new products and pricing and promotional strategies; (5) the ability to realize projected cost savings and benefits from cost savings initiatives and the integration of recent acquisitions; (6) disruptions in or inefficiencies to the company’s supply chain and/or operations, including the impacts of the COVID-19 pandemic, as well as fluctuations in the supply of and inflation in energy and raw and packaging materials cost; (7) the company’s ability to manage changes to its organizational structure and/or business processes, including selling, distribution, manufacturing and information management systems or processes; (8) changes in consumer demand for the company’s products and favorable perception of the company’s brands; (9) changing inventory management practices by certain of the company’s key customers; (10) a changing customer landscape, with value and e-commerce retailers expanding their market presence, while certain of the company’s key customers maintain significance to the company’s business; (11) product quality and safety issues, including recalls and product liabilities; (12) the possible disruption to the independent contractor distribution models used by certain of the company’s businesses, including as a result of litigation or regulatory actions affecting their independent contractor classification; (13) the uncertainties of litigation

and regulatory actions against the company; (14) the costs, disruption and diversion of management's attention associated with activist investors; (15) a material failure in or breach of the company's or the company's vendors' information technology systems; (16) impairment to goodwill or other intangible assets; (17) the company's ability to protect its intellectual property rights; (18) increased liabilities and costs related to the company's defined benefit pension plans; (19) the company's ability to attract and retain key talent; (20) negative changes and volatility in financial and credit markets, deteriorating economic conditions and other external factors, including changes in laws and regulations; (21) unforeseen business disruptions in one or more of the company's markets due to political instability, civil disobedience, terrorism, armed hostilities, extreme weather conditions, natural disasters, other pandemics or other calamities; and (22) other factors described in the company's most recent Form 10-K and subsequent Securities and Exchange Commission filings. The company disclaims any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this release.

CAMPBELL SOUP COMPANY
CONSOLIDATED STATEMENTS OF EARNINGS (unaudited)
(millions, except per share amounts)

	Three Months Ended	
	May 2, 2021	April 26, 2020
Net sales	**$ 1,984**	$ 2,238
Costs and expenses		
Cost of products sold	**1,356**	1,466
Marketing and selling expenses	**202**	239
Administrative expenses	**153**	154
Research and development expenses	**22**	25
Other expenses / (income)	**(23)**	81
Restructuring charges	**2**	—
Total costs and expenses	**1,712**	1,965
Earnings before interest and taxes	**272**	273
Interest, net	**53**	55
Earnings before taxes	**219**	218
Taxes on earnings	**53**	52
Earnings from continuing operations	**166**	166
Earnings (loss) from discontinued operations	**(6)**	2
Net earnings	**160**	168
Net loss attributable to noncontrolling interests	**—**	—
Net earnings attributable to Campbell Soup Company	**$ 160**	$ 168
Per share - basic		
Earnings from continuing operations attributable to Campbell Soup Company	**$ .55**	$ .55
Earnings (loss) from discontinued operations	**(.02)**	.01
Net earnings attributable to Campbell Soup Company	**$ .53**	$ .56
Weighted average shares outstanding - basic	**303**	302
Per share - assuming dilution		
Earnings from continuing operations attributable to Campbell Soup Company	**$ .54**	$ .55
Earnings (loss) from discontinued operations	**(.02)**	.01
Net earnings attributable to Campbell Soup Company*	**$ .52**	$ .55
Weighted average shares outstanding - assuming dilution	**305**	304

*The sum of individual per share amounts may not add due to rounding.

CAMPBELL SOUP COMPANY
CONSOLIDATED STATEMENTS OF EARNINGS (unaudited)
(millions, except per share amounts)

	Nine Months Ended	
	May 2, 2021	April 26, 2020
Net sales	**$ 6,603**	$ 6,583
Costs and expenses		
Cost of products sold	**4,379**	4,331
Marketing and selling expenses	**642**	682
Administrative expenses	**452**	436
Research and development expenses	**61**	69
Other expenses / (income)	**(86)**	115
Restructuring charges	**21**	10
Total costs and expenses	**5,469**	5,643
Earnings before interest and taxes	**1,134**	940
Interest, net	**162**	281
Earnings before taxes	**972**	659
Taxes on earnings	**252**	153
Earnings from continuing operations	**720**	506
Earnings (loss) from discontinued operations	**(6)**	1,036
Net earnings	**714**	1,542
Net loss attributable to noncontrolling interests	**—**	—
Net earnings attributable to Campbell Soup Company	**$ 714**	$ 1,542
Per share - basic		
Earnings from continuing operations attributable to Campbell Soup Company	**$ 2.38**	$ 1.68
Earnings (loss) from discontinued operations	**(.02)**	3.43
Net earnings attributable to Campbell Soup Company	**$ 2.36**	$ 5.11
Weighted average shares outstanding - basic	**303**	302
Per share - assuming dilution		
Earnings from continuing operations attributable to Campbell Soup Company	**$ 2.36**	$ 1.66
Earnings (loss) from discontinued operations	**(.02)**	3.41
Net earnings attributable to Campbell Soup Company	**$ 2.34**	$ 5.07
Weighted average shares outstanding - assuming dilution	**305**	304

CAMPBELL SOUP COMPANY
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF SALES AND EARNINGS (unaudited)
(millions, except per share amounts)

	Three Months Ended		
	May 2, 2021	April 26, 2020	Percent Change
Sales			
Contributions:			
Meals & Beverages	**$ 1,039**	$ 1,210	(14)%
Snacks	**945**	1,028	(8)%
Total sales	**$ 1,984**	$ 2,238	(11)%
Earnings			
Contributions:			
Meals & Beverages	**$ 179**	$ 275	(35)%
Snacks	**109**	154	(29)%
Total operating earnings	**288**	429	(33)%
Corporate	**(14)**	(156)	
Restructuring charges	**(2)**	—	
Earnings before interest and taxes	**272**	273	—%
Interest, net	**53**	55	
Taxes on earnings	**53**	52	
Earnings from continuing operations	**166**	166	—%
Earnings (loss) from discontinued operations	**(6)**	2	n/m
Net earnings	**160**	168	(5)%
Net loss attributable to noncontrolling interests	**—**	—	
Net earnings attributable to Campbell Soup Company	**$ 160**	$ 168	(5)%
Per share - assuming dilution			
Earnings from continuing operations attributable to Campbell Soup Company	**$ .54**	$ .55	(2)%
Earnings (loss) from discontinued operations	**(.02)**	.01	n/m
Net earnings attributable to Campbell Soup Company*	**$ .52**	$ .55	(5)%

*The sum of individual per share amounts may not add due to rounding.
n/m - not meaningful

CAMPBELL SOUP COMPANY
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF SALES AND EARNINGS (unaudited)
(millions, except per share amounts)

	Nine Months Ended		
	May 2, 2021	April 26, 2020	Percent Change
Sales			
Contributions:			
Meals & Beverages	**$ 3,681**	$ 3,628	1%
Snacks	**2,922**	2,955	(1)%
Total sales	**$ 6,603**	$ 6,583	—%
Earnings			
Contributions:			
Meals & Beverages	**$ 770**	$ 799	(4)%
Snacks	**392**	415	(6)%
Total operating earnings	**1,162**	1,214	(4)%
Corporate	**(7)**	(264)	
Restructuring charges	**(21)**	(10)	
Earnings before interest and taxes	**1,134**	940	21%
Interest, net	**162**	281	
Taxes on earnings	**252**	153	
Earnings from continuing operations	**720**	506	42%
Earnings (loss) from discontinued operations	**(6)**	1,036	n/m
Net earnings	**714**	1,542	(54)%
Net loss attributable to noncontrolling interests	**—**	—	
Net earnings attributable to Campbell Soup Company	**$ 714**	$ 1,542	(54)%
Per share - assuming dilution			
Earnings from continuing operations attributable to Campbell Soup Company	**$ 2.36**	$ 1.66	42%
Earnings (loss) from discontinued operations	**(.02)**	3.41	n/m
Net earnings attributable to Campbell Soup Company	**$ 2.34**	$ 5.07	(54)%

n/m - not meaningful

CAMPBELL SOUP COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)
(millions)

	May 2, 2021	April 26, 2020
Current assets	**$ 1,741**	$ 2,746
Assets of business held for sale	**122**	—
Plant assets, net	**2,313**	2,340
Intangible assets, net	**7,232**	7,343
Other assets	**322**	289
Total assets	**$ 11,730**	$ 12,718
Current liabilities	**$ 1,950**	$ 3,269
Liabilities of business held for sale	**25**	—
Long-term debt	**4,997**	5,191
Other liabilities	**1,763**	1,677
Total equity	**2,995**	2,581
Total liabilities and equity	**$ 11,730**	$ 12,718
Total debt	**$ 5,201**	$ 6,695
Total cash and cash equivalents	**$ 209**	$ 1,242

CAMPBELL SOUP COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(millions)

	Nine Months Ended	
	May 2, 2021	April 26, 2020
Cash flows from operating activities:		
Net earnings	**$ 714**	$ 1,542
Adjustments to reconcile net earnings to operating cash flow		
Restructuring charges	**21**	10
Stock-based compensation	**51**	47
Pension and postretirement benefit income	**(87)**	(11)
Depreciation and amortization	**233**	241
Deferred income taxes	**99**	35
Net gain on sales of businesses	**—**	(975)
Loss on extinguishment of debt	**—**	75
Investment losses	**—**	49
Other	**66**	74
Changes in working capital, net of divestitures		
Accounts receivable	**(4)**	(121)
Inventories	**(2)**	118
Prepaid assets	**(23)**	(4)
Accounts payable and accrued liabilities	**(149)**	92
Other	**(38)**	(47)
Net cash provided by operating activities	**881**	1,125
Cash flows from investing activities:		
Purchases of plant assets	**(190)**	(220)
Purchases of route businesses	**(1)**	(10)
Sales of route businesses	**7**	8
Sales of businesses, net of cash divested	**—**	2,537
Other	**7**	3
Net cash provided by (used in) investing activities	**(177)**	2,318
Cash flows from financing activities:		
Short-term borrowings, including commercial paper and revolving line of credit	**—**	5,610
Short-term repayments, including commercial paper	**(295)**	(6,405)
Long-term borrowings	**—**	1,000
Long-term repayments	**(721)**	(499)
Dividends paid	**(327)**	(320)
Treasury stock issuances	**2**	23
Payments related to tax withholding for stock-based compensation	**(15)**	(10)
Payments related to extinguishment of debt	**—**	(1,768)
Payments of debt issuance costs	**—**	(9)
Net cash used in financing activities	**(1,356)**	(2,378)
Effect of exchange rate changes on cash	**2**	(2)
Net change in cash and cash equivalents	**(650)**	1,063
Cash and cash equivalents — beginning of period (including discontinued operations)	**859**	179
Cash balance of discontinued operations — end of period	**—**	—
Cash and cash equivalents — end of period	**$ 209**	$ 1,242

Reconciliation of GAAP to Non-GAAP Financial Measures
Third Quarter Ended May 2, 2021

Campbell Soup Company uses certain non-GAAP financial measures as defined by the Securities and Exchange Commission in certain communications. These non-GAAP financial measures are measures of performance not defined by accounting principles generally accepted in the United States and should be considered in addition to, not in lieu of, GAAP reported measures. Management believes that also presenting certain non-GAAP financial measures provides additional information to facilitate comparison of the company's historical operating results and trends in its underlying operating results, and provides transparency on how the company evaluates its business. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the company's performance.

Organic Net Sales

Organic net sales are net sales excluding the impact of currency, acquisitions and divestitures. Management believes that excluding these items, which are not part of the ongoing business, improves the comparability of year-to-year results. A reconciliation of net sales as reported to organic net sales follows.

Three Months Ended

	May 2, 2021			April 26, 2020	% Change	
(millions)	Net Sales, as Reported	Impact of Currency	Organic Net Sales	Net Sales, as Reported	Net Sales, as Reported	Organic Net Sales
Meals & Beverages	**$ 1,039**	**$ (9)**	**$ 1,030**	$ 1,210	(14)%	(15)%
Snacks	**945**	**(1)**	**944**	1,028	(8)%	(8)%
Total Net Sales	**$ 1,984**	**$ (10)**	**$ 1,974**	$ 2,238	(11)%	(12)%

Nine Months Ended

	May 2, 2021			April 26, 2020			% Change	
(millions)	Net Sales, as Reported	Impact of Currency	Organic Net Sales	Net Sales, as Reported	Impact of Divestiture	Organic Net Sales	Net Sales, as Reported	Organic Net Sales
Meals & Beverages	**$ 3,681**	**$ (11)**	**$ 3,670**	$ 3,628	$ —	$ 3,628	1%	1%
Snacks	**2,922**	**—**	**2,922**	2,955	(25)	2,930	(1)%	—%
Total Net Sales	**$ 6,603**	**$ (11)**	**$ 6,592**	$ 6,583	$ (25)	$ 6,558	—%	1%

Year Ended

	August 2, 2020			
(millions)	Net Sales, as Reported	Estimated Impact of 53rd Week	Impact of Divestiture	Organic Net Sales
Total Net Sales	**$ 8,691**	**$ (151)**	**$ (25)**	**$ 8,515**

Items Impacting Earnings

Management believes that financial information excluding certain items that are not considered to reflect the ongoing operating results, such as those listed below, improves the comparability of year-to-year results. Consequently, management believes that investors may be able to better understand its results excluding these items.

The following items impacted earnings:

Continuing Operations

(1) The company has implemented several cost savings initiatives in recent years.

In the third quarter of fiscal 2021, the company recorded Restructuring charges of $2 million and implementation costs and other related costs of $11 million in Administrative expenses and $2 million in Cost of products sold (aggregate impact of $11 million after tax, or $.04 per share) related to these initiatives. In the nine-month period of fiscal 2021,

the company recorded Restructuring charges of $21 million and implementation costs and other related costs of $21 million in Administrative expenses and $1 million in Cost of products sold (aggregate impact of $32 million after tax, or $.10 per share) related to these initiatives. In the third quarter of fiscal 2020, the company recorded implementation costs and other related costs of $10 million in Administrative expenses and $4 million in Cost of products sold (aggregate impact of $11 million after tax, or $.04 per share) related to these initiatives. In the nine-month period of fiscal 2020, the company recorded Restructuring charges of $10 million and implementation costs and other related costs of $31 million in Administrative expenses, $6 million in Cost of products sold, $2 million in Marketing and selling expenses, and $1 million in Research and development expenses (aggregate impact of $38 million after tax, or $.13 per share) related to these initiatives. For the year ended August 2, 2020, the company recorded Restructuring charges of $9 million and implementation costs and other related costs of $48 million in Administrative expenses, $9 million in Cost of products sold, $2 million in Marketing and selling expenses, and $1 million in Research and development expenses (aggregate impact of $52 million after tax, or $.17 per share) related to these initiatives.

(2) In the third quarter of fiscal 2021, the company recognized pension settlement gains in Other expenses / (income) of $4 million ($3 million after tax, or $.01 per share). In the nine-month period of fiscal 2021, the company recognized pension settlement gains in Other expenses / (income) of $38 million ($29 million after tax, or $.10 per share). In the third quarter of fiscal 2020, the company recognized pension settlement charges in Other expenses / (income) of $54 million ($41 million after tax, or $.13 per share). In the nine-month period of fiscal 2020, the company recognized pension settlement charges in Other expenses / (income) of $43 million ($33 million after tax, or $.11 per share).

(3) In the nine-month period of fiscal 2021, the company recorded a $19 million ($.06 per share) deferred tax charge in connection with a legal entity reorganization as part of the continued integration of Snyder's-Lance, Inc.

(4) In the third quarter of fiscal 2020, the company recognized a loss in Other expenses / (income) of $45 million ($35 million after tax, or $.12 per share) associated with the pending sale of its limited partnership in Acre Venture Partners, L.P.

(5) In the nine-month period of fiscal 2020, the company recorded a loss in Other expenses / (income) of $64 million ($41 million after tax, or $.13 per share) on the sale of its European chips business. For the year ended August 2, 2020, the company recorded a loss in Other expenses / (income) of $64 million ($37 million after tax, or $.12 per share) on the sale of its European chips business.

(6) In the nine-month period of fiscal 2020, the company recorded a loss in Interest expense of $75 million ($57 million after tax, or $.19 per share) on the extinguishment of debt.

(7) For the year ended August 2, 2020, the company recognized losses of $121 million in Other expenses / (income) ($92 million after tax, or $.30 per share) associated with mark-to-market adjustments for defined benefit pension and postretirement plans.

Discontinued Operations

(5) In the nine-month period of fiscal 2020, the company recognized net gains of $1.04 billion ($1.00 billion after tax, or $3.29 per share) associated with the sale of the Kelsen Group and the Arnott's business and certain other international operations (Campbell International).

The following tables reconcile financial information, presented in accordance with GAAP, to financial information excluding certain items:

	Three Months Ended						
	May 2, 2021			April 26, 2020			
(millions, except per share amounts)	As reported	Adjustments[a]	Adjusted	As reported	Adjustments[a]	Adjusted	Adjusted Percent Change
Gross margin	**$ 628**	**$ 2**	**$ 630**	$ 772	$ 4	$ 776	(19)%
Gross margin percentage	**31.7 %**		**31.8 %**	34.5 %		34.7 %	(2.9) pts
Administrative expenses	**$ 153**	**$ (11)**	**$ 142**	$ 154	$ (10)	$ 144	(1)%
Other expenses / (income)	**$ (23)**	**$ 4**	**$ (19)**	$ 81	$ (99)	$ (18)	
Restructuring charges	**$ 2**	**$ (2)**	**$ —**	$ —	$ —	$ —	
Earnings before interest and taxes	**$ 272**	**$ 11**	**$ 283**	$ 273	$ 113	$ 386	(27)%
Interest, net	**53**	**—**	**53**	55	—	55	(4)%
Earnings before taxes	**$ 219**	**$ 11**	**$ 230**	$ 218	$ 113	$ 331	
Taxes	**53**	**3**	**56**	52	26	78	
Effective income tax rate	**24.2 %**		**24.3 %**	23.9 %		23.6 %	0.7 pts
Earnings from continuing operations	**$ 166**	**$ 8**	**$ 174**	$ 166	$ 87	$ 253	(31)%
Earnings (loss) from discontinued operations	**(6)**	**—**	**(6)**	2	—	2	n/m
Net earnings attributable to Campbell Soup Company	**$ 160**	**$ 8**	**$ 168**	$ 168	$ 87	$ 255	(34)%
Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	**$ .54**	**$ .03**	**$ .57**	$ .55	$ .29	$ .83	(31)%
Diluted earnings (loss) per share - discontinued operations	**(.02)**	**—**	**(.02)**	.01	—	.01	n/m
Diluted net earnings per share attributable to Campbell Soup Company*	**$ .52**	**$ .03**	**$ .55**	$ .55	$ .29	$ .84	(35)%

[a]See following tables for additional information.

*The sum of individual per share amounts may not add due to rounding.

n/m - not meaningful

	Three Months Ended		
	May 2, 2021		
(millions, except per share amounts)	Restructuring charges, implementation costs and other related costs (1)	Pension settlement (2)	Adjustments
Gross margin	**$ 2**	**$ —**	**$ 2**
Administrative expenses	**(11)**	**—**	**(11)**
Other expenses / (income)	**—**	**4**	**4**
Restructuring charges	**(2)**	**—**	**(2)**
Earnings before interest and taxes	**$ 15**	**$ (4)**	**$ 11**
Interest, net	**—**	**—**	**—**
Earnings before taxes	**$ 15**	**$ (4)**	**$ 11**
Taxes	**4**	**(1)**	**3**
Earnings from continuing operations	**$ 11**	**$ (3)**	**$ 8**
Earnings from discontinued operations	**—**	**—**	**—**
Net earnings attributable to Campbell Soup Company	**$ 11**	**$ (3)**	**$ 8**
Diluted earnings per share - continuing operations attributable to Campbell Soup Company	**$ .04**	**$ (.01)**	**$ .03**
Diluted earnings per share - discontinued operations	**—**	**—**	**—**
Diluted net earnings per share attributable to Campbell Soup Company	**$ .04**	**$ (.01)**	**$ .03**

(millions, except per share amounts)	Three Months Ended April 26, 2020 Restructuring charges, implementation costs and other related costs (1)	Pension settlement (2)	Investment losses (4)	Adjustments
Gross margin	$ 4	$ —	$ —	$ 4
Administrative expenses	(10)	—	—	(10)
Other expenses / (income)	—	(54)	(45)	(99)
Earnings before interest and taxes	$ 14	$ 54	$ 45	$ 113
Interest, net	—	—	—	—
Earnings before taxes	$ 14	$ 54	$ 45	$ 113
Taxes	3	13	10	26
Earnings from continuing operations	$ 11	$ 41	$ 35	$ 87
Earnings from discontinued operations	—	—	—	—
Net earnings attributable to Campbell Soup Company	$ 11	$ 41	$ 35	$ 87
Diluted earnings per share - continuing operations attributable to Campbell Soup Company	$ .04	$ .13	$ .12	$ .29
Diluted earnings per share - discontinued operations	—	—	—	—
Diluted net earnings per share attributable to Campbell Soup Company	$ .04	$ .13	$ .12	$ .29

	Nine Months Ended						
	May 2, 2021			April 26, 2020			
(millions, except per share amounts)	**As reported**	**Adjustments[a]**	**Adjusted**	As reported	Adjustments[a]	Adjusted	Adjusted Percent Change
Gross margin	**$ 2,224**	**$ 1**	**$ 2,225**	$ 2,252	$ 6	$ 2,258	(1)%
Gross margin percentage	**33.7 %**		**33.7 %**	34.2 %		34.3 %	(0.6) pts
Marketing and selling expenses	**642**	**—**	**642**	682	(2)	680	(6)%
Administrative expenses	**452**	**(21)**	**431**	436	(31)	405	6%
Research and development expenses	**61**	**—**	**61**	69	(1)	68	
Other expenses / (income)	**(86)**	**38**	**(48)**	115	(152)	(37)	
Restructuring charges	**21**	**(21)**	**—**	10	(10)	—	
Earnings before interest and taxes	**$ 1,134**	**$ 5**	**$ 1,139**	$ 940	$ 202	$ 1,142	—%
Interest, net	**162**	**—**	**162**	281	(75)	206	(21)%
Earnings before taxes	**$ 972**	**$ 5**	**$ 977**	$ 659	$ 277	$ 936	
Taxes	**252**	**(17)**	**235**	153	73	226	
Effective income tax rate	**25.9 %**		**24.1 %**	23.2 %		24.1 %	0.0 pts
Earnings from continuing operations	**$ 720**	**$ 22**	**$ 742**	$ 506	$ 204	$ 710	5%
Earnings (loss) from discontinued operations	**(6)**	**—**	**(6)**	1,036	(1,000)	36	n/m
Net earnings attributable to Campbell Soup Company	**$ 714**	**$ 22**	**$ 736**	$ 1,542	$ (796)	$ 746	(1)%
Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	**$ 2.36**	**$ .07**	**$ 2.43**	$ 1.66	$ .67	$ 2.34	4%
Diluted earnings (loss) per share - discontinued operations	**(.02)**	**—**	**(.02)**	3.41	(3.29)	.12	n/m
Diluted net earnings per share attributable to Campbell Soup Company*	**$ 2.34**	**$ .07**	**$ 2.41**	$ 5.07	$ (2.62)	$ 2.45	(2)%

[a]See following tables for additional information.

*The sum of individual per share amounts may not add due to rounding.
n/m - not meaningful

(millions, except per share amounts)	Nine Months Ended May 2, 2021 — Restructuring charges, implementation costs and other related costs (1)	Pension settlement (2)	Deferred tax charge (3)	Adjustments
Gross margin	**$ 1**	**$ —**	**$ —**	**$ 1**
Administrative expenses	**(21)**	**—**	**—**	**(21)**
Other expenses / (income)	**—**	**38**	**—**	**38**
Restructuring charges	**(21)**	**—**	**—**	**(21)**
Earnings before interest and taxes	**$ 43**	**$ (38)**	**$ —**	**$ 5**
Interest, net	**—**	**—**	**—**	**—**
Earnings before taxes	**$ 43**	**$ (38)**	**$ —**	**$ 5**
Taxes	**11**	**(9)**	**(19)**	**(17)**
Earnings from continuing operations	**$ 32**	**$ (29)**	**$ 19**	**$ 22**
Earnings from discontinued operations	**—**	**—**	**—**	**—**
Net earnings attributable to Campbell Soup Company	**$ 32**	**$ (29)**	**$ 19**	**$ 22**
Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	**$ .10**	**$ (.10)**	**$ .06**	**$ .07**
Diluted earnings per share - discontinued operations	**—**	**—**	**—**	**—**
Diluted net earnings per share attributable to Campbell Soup Company*	**$ .10**	**$ (.10)**	**$ .06**	**$ .07**

*The sum of individual per share amounts may not add due to rounding.

(millions, except per share amounts)	Nine Months Ended April 26, 2020 — Restructuring charges, implementation costs and other related costs (1)	Pension settlement (2)	Investment losses (4)	Divestitures (5)	Loss on debt extinguishment (6)	Adjustments
Gross margin	$ 6	$ —	$ —	$ —	$ —	$ 6
Marketing and selling expenses	(2)	—	—	—	—	(2)
Administrative expenses	(31)	—	—	—	—	(31)
Research and development expenses	(1)	—	—	—	—	(1)
Other expenses / (income)	—	(43)	(45)	(64)	—	(152)
Restructuring charges	(10)	—	—	—	—	(10)
Earnings before interest and taxes	$ 50	$ 43	$ 45	$ 64	$ —	$ 202
Interest, net	—	—	—	—	(75)	(75)
Earnings before taxes	$ 50	$ 43	$ 45	$ 64	$ 75	$ 277
Taxes	12	10	10	23	18	73
Earnings from continuing operations	$ 38	$ 33	$ 35	$ 41	$ 57	$ 204
Earnings from discontinued operations	—	—	—	(1,000)	—	(1,000)
Net earnings attributable to Campbell Soup Company	$ 38	$ 33	$ 35	$ (959)	$ 57	$ (796)
Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	$ .13	$ .11	$ .12	$ .13	$ .19	$ .67
Diluted earnings per share - discontinued operations	—	—	—	(3.29)	—	(3.29)
Diluted net earnings per share attributable to Campbell Soup Company*	$ .13	$ .11	$ .12	$ (3.15)	$ .19	$ (2.62)

*The sum of individual per share amounts may not add due to rounding.

(millions, except per share amounts)		Year Ended August 2, 2020
Gross margin, as reported	**$**	**2,999**
Add: Restructuring charges, implementation costs and other related costs (1)		**9**
Adjusted Gross margin	**$**	**3,008**
Adjusted Gross margin percentage		**34.6 %**
Earnings before interest and taxes, as reported	**$**	**1,107**
Add: Restructuring charges, implementation costs and other related costs (1)		**69**
Add: Pension settlement (2)		**43**
Add: Investment losses (4)		**45**
Add: Divestitures (5)		**64**
Add: Pension and postretirement benefit mark-to-market adjustments (7)		**121**
Adjusted Earnings before interest and taxes	**$**	**1,449**
Interest, net, as reported	**$**	**341**
Deduct: Loss on debt extinguishment (6)		**(75)**
Adjusted Interest, net	**$**	**266**
Adjusted Earnings before taxes	**$**	**1,183**
Taxes on earnings, as reported	**$**	**174**
Add: Tax benefit from restructuring charges, implementation costs and other related costs (1)		**17**
Add: Tax benefit from pension settlement (2)		**10**
Add: Tax benefit from investment losses (4)		**10**
Add: Tax benefit from divestitures (5)		**27**
Add: Tax benefit from loss on debt extinguishment (6)		**18**
Add: Tax benefit from pension and postretirement benefit mark-to-market adjustments (7)		**29**
Adjusted Taxes on earnings	**$**	**285**
Adjusted effective income tax rate		**24.1 %**
Earnings from continuing operations, as reported	**$**	**592**
Add: Net adjustment from restructuring charges, implementation costs and other related costs (1)		**52**
Add: Net adjustment from pension settlement (2)		**33**
Add: Net adjustment from investment losses (4)		**35**
Add: Net adjustment from divestitures (5)		**37**
Add: Net adjustment from loss on debt extinguishment (6)		**57**
Add: Net adjustment from total pension and postretirement benefit mark-to-market adjustments (7)		**92**
Adjusted Earnings from continuing operations	**$**	**898**
Earnings from discontinued operations, as reported	**$**	**1,036**
Deduct: Net adjustment from divestitures (5)		**(1,000)**
Adjusted Earnings from discontinued operations	**$**	**36**
Adjusted Net earnings attributable to Campbell Soup Company	**$**	**934**
Diluted earnings per share - continuing operations attributable to Campbell Soup Company, as reported	**$**	**1.95**
Add: Net adjustment from restructuring charges, implementation costs and other related costs (1)		**.17**
Add: Net adjustment from pension settlement (2)		**.11**
Add: Net adjustment from investment losses (4)		**.12**
Add: Net adjustment from divestitures (5)		**.12**
Add: Net adjustment from loss on debt extinguishment (6)		**.19**
Add: Net adjustment from total pension and postretirement benefit mark-to-market adjustments (7)		**.30**
Adjusted Diluted earnings per share - continuing operations attributable to Campbell Soup Company*	**$**	**2.95**
Diluted earnings per share - discontinued operations, as reported	**$**	**3.41**
Deduct: Net adjustment from divestitures (5)		**(3.29)**
Adjusted Diluted earnings per share - discontinued operations	**$**	**.12**

(millions, except per share amounts)	Year Ended August 2, 2020
Diluted net earnings per share attributable to Campbell Soup Company, as reported	**$ 5.36**
Add: Net adjustment from restructuring charges, implementation costs and other related costs (1)	**.17**
Add: Net adjustment from pension settlement (2)	**.11**
Add: Net adjustment from investment losses (4)	**.12**
Deduct: Net adjustment from divestitures (5)	**(3.17)**
Add: Net adjustment from loss on debt extinguishment (6)	**.19**
Add: Net adjustment from total pension and postretirement benefit mark-to-market adjustments (7)	**.30**
Adjusted Diluted net earnings per share attributable to Campbell Soup Company*	**$ 3.07**

*The sum of individual per share amounts may not add due to rounding.

EXHIBIT F

3184557

FILED
In the Office of the Secretary of State
of the State of California

JAN 12 2009

STATEMENT AND DESIGNATION BY FOREIGN CORPORATION

The Nest Collective, Inc.
(Name of Corporation)

______, a corporation organized and existing under the laws of Delaware (State or Place of Incorporation), makes the following statements and designation:

1. The address of its principal executive office is 3601 San Pablo Avenue, Unit A Emeryville, CA 94608.

2. The address of its principal office in the State of California is 3601 San Pablo Avenue, Unit A Emeryville, CA 94608.
(If none, leave Item 2 blank.)

DESIGNATION OF AGENT FOR SERVICE OF PROCESS IN THE STATE OF CALIFORNIA

(Complete either Item 3 or Item 4.)

3. (Use this paragraph if the process **agent is a natural person.**)

   Sheryl O'Loughlin, a natural person residing in the State of California, whose complete street address is 3601 San Pablo Avenue, Unit A Emeryville, CA 94608, is designated as agent upon whom process directed to this corporation may be served within the State of California, in the manner provided by law.

4. (Use this paragraph if the process **agent is another corporation.**)

   ______,

   a corporation organized and existing under the laws of ______, is designated as agent upon whom process directed to this corporation may be served within the State of California, in the manner provided by law.

5. It irrevocably consents to service of process directed to it upon the agent designated above, and to service of process on the Secretary of State of the State of California if the agent so designated or the agent's successor is no longer authorized to act or cannot be found at the address given.

______
(Signature of Corporate Officer)

Sheryl O'Loughlin, President
(Typed Name and Title of Officer Signing)

If an individual is designated as the agent for service of process, include the agent's business or residential street address in California (a P.O. Box address is not acceptable). If another corporation is designated as the agent for service of process, do not include the address of the designated corporation. ***Note: Corporate agents must have complied with California Corporations Code section 1505 prior to designation, and a corporation cannot act as its own agent.***

Secretary of State Form
S&DC-STOCK/NONPROFIT (REV 01/2008)

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "THE NEST COLLECTIVE, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWELFTH DAY OF JANUARY, A.D. 2009.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "THE NEST COLLECTIVE, INC." WAS INCORPORATED ON THE EIGHTEENTH DAY OF DECEMBER, A.D. 2008.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE NOT BEEN ASSESSED TO DATE.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

4635949 8300

090023534

AUTHENTICATION: 7074833

DATE: 01-12-09

You may verify this certificate online at corp.delaware.gov/authver.shtml

EXHIBIT G

A0734328

NSTD

3184557

Amended Statement By Foreign Corporation

FILED SDM/RL
In the office of the Secretary of State of the State of California

NOV 05 2012

Plum Inc., which will do business in California as Plum Organics
[Name of Corporation]

________________________________, a corporation organized and existing under the laws of Delaware [State or Place of Incorporation], and which is presently qualified for the transaction of intrastate business in the State of California, makes the following statement:

That the name of the corporation has been changed to that hereinabove set forth and that the name relinquished at the time of such change was The Nest Collective, Inc.

Plum Inc.
[Name of Corporation]

[Signature of Corporate Officer]

Neil Grimmer, President and Chief Executive Officer
[Typed Name and Title of Officer Signing]

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "THE NEST COLLECTIVE, INC.", CHANGING ITS NAME FROM "THE NEST COLLECTIVE, INC." TO "PLUM INC.", FILED IN THIS OFFICE ON THE FIFTH DAY OF NOVEMBER, A.D. 2012, AT 1:54 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

4635949 8100

121195614

AUTHENTICATION: 9963327

DATE: 11-05-12

You may verify this certificate online
at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:57 PM 11/05/2012
FILED 01:54 PM 11/05/2012
SRV 121195614 - 4635949 FILE

CERTIFICATE OF AMENDMENT
TO THE
FIFTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
THE NEST COLLECTIVE, INC.

The Nest Collective, Inc., a Delaware corporation, organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "General Corporation Law"), does hereby certify as follows:

FIRST: That the name of this corporation is The Nest Collective, Inc. (the "Corporation") and that this Corporation was originally incorporated pursuant to the General Corporation Law on December 18,2008 under the name The Nest Collective, Inc. The Fifth Amended and Restated Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on April 19, 2012 (the "Restated Certificate").

SECOND: The first Article of the Restated Certificate is hereby amended and restated to read in its entirety as follows:

First: The name of the corporation is Plum Inc. (the "**Corporation**").

THIRD: The foregoing amendment of the Restated Certificate has been duly adopted in accordance with the provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Company has caused this Certificate to be signed on this 5th day of November, 2012.

By: ______________________
Authorized Officer

Name: Neil Grimmer

Title: President and Chief Executive Officer

EXHIBIT H

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "PLUM INC.", CHANGING ITS NAME FROM "PLUM INC." TO "PLUM PBC", FILED IN THIS OFFICE ON THE FIRST DAY OF AUGUST, A.D. 2013, AT 8 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

SECRETARY OF STATE 1776 DELAWARE 1970

Jeffrey W. Bullock, Secretary of State

4635949 8100

AUTHENTICATION: 0630998

130942025

DATE: 08-01-13

State of Delaware
Secretary of State
Division of Corporations
Delivered 07:39 AM 08/01/2013
FILED 08:00 AM 08/01/2013
SRV 130942025 - 4635949 FILE

CERTIFICATE OF AMENDMENT

TO THE
AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

PLUM INC.

* * *

Plum Inc., a Delaware corporation, organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "General Corporation Law"), does hereby certify as follow:

FIRST: That the name of this corporation is Plum Inc. (the "**Corporation**") and that this Corporation was originally incorporated pursuant to the General Corporation Law on December 18, 2008 under the name of The Nest Collective, Inc. An Amended and Restated Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on June 13, 2013 (the "Restated Certificate").

SECOND: The heading of the Certificate of Incorporation is being amended to state that the Corporation is a Public Benefit Corporation. The first Article of the Restated Certificate is hereby amended and restated in its entirety to read as follows:

First: The name of the corporation is Plum PBC.

THIRD: The third Article of the Restated Certificate is hereby amended and restated in its entirety to read as follows:

Third: The public benefits to be promoted by the Corporation include the delivery of nourishing, organic food to the nation's little ones and raising awareness and advancing solutions for childhood hunger and malnutrition in the United States. In addition, the Corporation may engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended.

FOURTH: Section (1) of the eighth Article of the Restated Certificate is hereby amended and restated to read as follows:

Eight: (1) A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by the DGCL. Any disinterested failure to satisfy DGCL 365 shall not, for the purposes of DGCL 102(b) (7) or DGCL

145, constitute an act or omission not in good faith, or a breach of the duty of loyalty.

FIFTH: The foregoing amendment to the Restated Certificate has been duly adopted in accordance with the provisions of Sections 363 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Corporation has caused this Certificate to be signed on this 31st day of July, 2013.

PLUM INC.

By:

Name: Neil Grimmer

Title: President and Chief Executive Officer

EXHIBIT I

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CORRECTION OF "PLUM PBC", CHANGING ITS NAME FROM "PLUM PBC" TO "PLUM, PBC", FILED IN THIS OFFICE ON THE SECOND DAY OF OCTOBER, A.D. 2013, AT 1:25 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

4635949 8100

131154416

AUTHENTICATION: 0783734

DATE: 10-02-13

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:25 PM 10/02/2013
FILED 01:25 PM 10/02/2013
SRV 131154416 - 4635949 FILE

CERTIFICATE OF CORRECTION

TO THE AMENDED

CERTIFICATE OF INCORPORATION

OF

PLUM PBC

* * *

Plum PBC (the "Corporation"), a Delaware corporation, organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify as follow:

FIRST: That the name of this Corporation was changed from "Plum Inc." to "Plum PBC" pursuant to a Certificate of Amendment (the "Amendment Certificate") to the Amended and Restated Certificate of Incorporation of the Corporation, which Amendment Certificate was signed on July 31, 2013, and filed with the Secretary of State of the State of Delaware on August 1, 2013.

SECOND: A comma was omitted from the new name of the Corporation in the Amendment Certificate. The first Article of the Amended Certificate is hereby amended and restated in its entirety to reflect the correct name, including the comma, as follows:

First: The name of the corporation is Plum, PBC.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Correction to the Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Plum PBC to be signed on this 1st day of October, 2013.

PLUM PBC

By: ____________________

Name: Neil Grimmer

Title: President and Chief Executive Officer

EXHIBIT J

United States of America

United States Patent and Trademark Office

Reg. No. 4,882,974

Registered Jan. 5, 2016

Int. Cl.: 29

TRADEMARK

PRINCIPAL REGISTER

PLUM, PBC (DELAWARE PUBLIC BENEFIT CORPORATION)
1485 PARK AVENUE, SUITE 200
EMERYVILLE, CA 94608

FOR: SOUPS, NOT CONTAINING PLUM OR PLUM EXTRACT, IN CLASS 29 (U.S. CL. 46).

FIRST USE 7-0-2014; IN COMMERCE 7-0-2014.

THE MARK CONSISTS OF THE WORD "PLUM" STYLIZED.

SEC. 2(F).

SN 86-496,026, FILED 1-6-2015.

BRIAN NEVILLE, EXAMINING ATTORNEY

UNITED STATES PATENT AND TRADEMARK OFFICE
DEPARTMENT OF COMMERCE

Michelle K. Lee

Director of the United States
Patent and Trademark Office

REQUIREMENTS TO MAINTAIN YOUR FEDERAL TRADEMARK REGISTRATION

WARNING: YOUR REGISTRATION WILL BE CANCELLED IF YOU DO NOT FILE THE DOCUMENTS BELOW DURING THE SPECIFIED TIME PERIODS.

Requirements in the First Ten Years*
What and When to File:

First Filing Deadline: You must file a Declaration of Use (or Excusable Nonuse) between the 5th and 6th years after the registration date. *See* 15 U.S.C. §§1058, 1141k. If the declaration is accepted, the registration will continue in force for the remainder of the ten-year period, calculated from the registration date, unless cancelled by an order of the Commissioner for Trademarks or a federal court.

Second Filing Deadline: You must file a Declaration of Use (or Excusable Nonuse) **and** an Application for Renewal between the 9th and 10th years after the registration date.* *See* 15 U.S.C. §1059.

Requirements in Successive Ten-Year Periods*
What and When to File:

You must file a Declaration of Use (or Excusable Nonuse) **and** an Application for Renewal between every 9th and 10th-year period, calculated from the registration date.*

Grace Period Filings*

The above documents will be accepted as timely if filed within six months after the deadlines listed above with the payment of an additional fee.

***ATTENTION MADRID PROTOCOL REGISTRANTS:** The holder of an international registration with an extension of protection to the United States under the Madrid Protocol must timely file the Declarations of Use (or Excusable Nonuse) referenced above directly with the United States Patent and Trademark Office (USPTO). The time periods for filing are based on the U.S. registration date (not the international registration date). The deadlines and grace periods for the Declarations of Use (or Excusable Nonuse) are identical to those for nationally issued registrations. *See* 15 U.S.C. §§1058, 1141k. However, owners of international registrations do not file renewal applications at the USPTO. Instead, the holder must file a renewal of the underlying international registration at the International Bureau of the World Intellectual Property Organization, under Article 7 of the Madrid Protocol, before the expiration of each ten-year term of protection, calculated from the date of the international registration. *See* 15 U.S.C. §1141j. For more information and renewal forms for the international registration, see http://www.wipo.int/madrid/en/.

NOTE: Fees and requirements for maintaining registrations are subject to change. Please check the USPTO website for further information. With the exception of renewal applications for registered extensions of protection, you can file the registration maintenance documents referenced above online at http://www.uspto.gov.

NOTE: A courtesy e-mail reminder of USPTO maintenance filing deadlines will be sent to trademark owners/holders who authorize e-mail communication and maintain a current e-mail address with the USPTO. To ensure that e-mail is authorized and your address is current, please use the Trademark Electronic Application System (TEAS) Correspondence Address and Change of Owner Address Forms available at http://www.uspto.gov.

EXHIBIT K

From:	TMOfficialNotices@USPTO.GOV
Sent:	Monday, October 3, 2016 11:01 PM
To:	XXXX
Subject:	Official USPTO Notice of Acceptance and Renewal Sections 8 and 9: U.S. Trademark RN 3264585: PLUM ORGANICS (Stylized/Design): Docket/Reference No. 301303US046

Serial Number: 78842606
Registration Number: 3264585
Registration Date: Jul 17, 2007
Mark: PLUM ORGANICS (Stylized/Design)
Owner: PLUM, PBC

Oct 3, 2016

NOTICE OF ACCEPTANCE UNDER SECTION 8

The declaration of use or excusable nonuse filed for the above-identified registration meets the requirements of Section 8 of the Trademark Act, 15 U.S.C. §1058. **The Section 8 declaration is accepted.**

NOTICE OF REGISTRATION RENEWAL UNDER SECTION 9

The renewal application filed for the above-identified registration meets the requirements of Section 9 of the Trademark Act, 15 U.S.C. §1059. **The registration is renewed.**

The registration will remain in force for the class(es) listed below for the remainder of the ten-year period, calculated from the registration date, unless canceled by an order of the Commissioner for Trademarks or a Federal Court.

Class(es):
005

TRADEMARK SPECIALIST
POST-REGISTRATION DIVISION
571-272-9500

REQUIREMENTS FOR MAINTAINING REGISTRATION IN SUCCESSIVE TEN-YEAR PERIODS

WARNING: Your registration will be canceled if you do not file the documents below during the specified time periods.

What and When to File: You must file a declaration of use (or excusable nonuse) **and** an application for renewal between every 9th and 10th-year period, calculated from the registration date. See 15 U.S.C. §§1058, 1059.

Grace Period Filings

The above documents will be considered as timely if filed within six months after the deadlines listed above with the payment of an additional fee.

*****The USPTO WILL NOT SEND ANY FURTHER NOTICE OR REMINDER OF THESE REQUIREMENTS. THE REGISTRANT SHOULD CONTACT THE USPTO ONE YEAR BEFORE THE EXPIRATION OF THE TIME PERIODS SHOWN ABOVE TO DETERMINE APPROPRIATE REQUIREMENTS AND FEES.*****

To view this notice and other documents for this application on-line, go to http://tdr.uspto.gov/search.action?sn=78842606. NOTE: This notice will only be available on-line the next business day after receipt of this e-mail.

EXHIBIT L

United States of America

United States Patent and Trademark Office

PLUM

Reg. No. 5,157,628

Registered Mar. 07, 2017

Int. Cl.: 5

Trademark

Principal Register

Plum, PBC (DELAWARE public benefit corporation)
1485 Park Avenue, Suite 200
Emeryville, CA 94608

CLASS 5: Infant formula

FIRST USE 3-00-2016; IN COMMERCE 3-00-2016

THE MARK CONSISTS OF STANDARD CHARACTERS WITHOUT CLAIM TO ANY PARTICULAR FONT STYLE, SIZE OR COLOR

OWNER OF U.S. REG. NO. 4542286, 4536270, 4536269

SER. NO. 86-891,661, FILED 01-29-2016
KRISTINA KLOIB MORRIS, EXAMINING ATTORNEY

UNITED STATES PATENT AND TRADEMARK OFFICE
DEPARTMENT OF COMMERCE

Michelle K. Lee

Director of the United States
Patent and Trademark Office

REQUIREMENTS TO MAINTAIN YOUR FEDERAL TRADEMARK REGISTRATION

WARNING: YOUR REGISTRATION WILL BE CANCELLED IF YOU DO NOT FILE THE DOCUMENTS BELOW DURING THE SPECIFIED TIME PERIODS.

Requirements in the First Ten Years*
What and When to File:

- ***First Filing Deadline:*** You must file a Declaration of Use (or Excusable Nonuse) between the 5th and 6th years after the registration date. See 15 U.S.C. §§1058, 1141k. If the declaration is accepted, the registration will continue in force for the remainder of the ten-year period, calculated from the registration date, unless cancelled by an order of the Commissioner for Trademarks or a federal court.

- ***Second Filing Deadline:*** You must file a Declaration of Use (or Excusable Nonuse) and an Application for Renewal between the 9th and 10th years after the registration date.* See 15 U.S.C. §1059.

Requirements in Successive Ten-Year Periods*
What and When to File:

- You must file a Declaration of Use (or Excusable Nonuse) and an Application for Renewal between every 9th and 10th-year period, calculated from the registration date.*

Grace Period Filings*

The above documents will be accepted as timely if filed within six months after the deadlines listed above with the payment of an additional fee.

***ATTENTION MADRID PROTOCOL REGISTRANTS:** The holder of an international registration with an extension of protection to the United States under the Madrid Protocol must timely file the Declarations of Use (or Excusable Nonuse) referenced above directly with the United States Patent and Trademark Office (USPTO). The time periods for filing are based on the U.S. registration date (not the international registration date). The deadlines and grace periods for the Declarations of Use (or Excusable Nonuse) are identical to those for nationally issued registrations. See 15 U.S.C. §§1058, 1141k. However, owners of international registrations do not file renewal applications at the USPTO. Instead, the holder must file a renewal of the underlying international registration at the International Bureau of the World Intellectual Property Organization, under Article 7 of the Madrid Protocol, before the expiration of each ten-year term of protection, calculated from the date of the international registration. See 15 U.S.C. §1141j. For more information and renewal forms for the international registration, see http://www.wipo.int/madrid/en/.

NOTE: Fees and requirements for maintaining registrations are subject to change. Please check the USPTO website for further information. With the exception of renewal applications for registered extensions of protection, you can file the registration maintenance documents referenced above online at h ttp://www.uspto.gov.

NOTE: A courtesy e-mail reminder of USPTO maintenance filing deadlines will be sent to trademark owners/holders who authorize e-mail communication and maintain a current e-mail address with the USPTO. To ensure that e-mail is authorized and your address is current, please use the Trademark Electronic Application System (TEAS) Correspondence Address and Change of Owner Address Forms available at http://www.uspto.gov.